

# The Gazette of India



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## NOTICE

The undermentioned Gazettes of India Extraordinary were published during the week ending the 9th September 1952 :—

Issue No.	No. and date	Issued by	Subject
123	S. R. O. 1500, dated the 2nd September 1952.	Ministry of Labour.	The Employees' Provident Funds Scheme, 1952.
124	S. R. O. 1510 dated the 2nd September 1952.	Ditto.	Constitution of the Calcutta Dock Labour Board by the Central Government.

Copies of the Gazettes Extraordinary mentioned above will be supplied on indent to the Manager of Publications, Civil Lines, Delhi. Indents should be submitted so as to reach the Manager within ten days of the date of issue of this Gazette.

## PART II—Section 3

**Statutory Rules and Orders issued by the Ministries of the Government of India (other than the Ministry of Defence) and Central Authorities (other than the Chief Commissioners).**

### MINISTRY OF HOME AFFAIRS

*New Delhi, the 5th September, 1952.*

**S.R.O. 1516**—In pursuance of clause (1) of article 239 of the Constitution, the President hereby directs that the Chief Commissioners or Lieutenant Governors, as the case may be, of Part C States shall, subject to the control of the President and until further orders, exercise the powers and discharge the functions of the State Government under section 6 of the Criminal Law Amendment Act, 1952, (Act XLVI of 1952).

[No. 21/7/52-Police II.]

*New Delhi, the 9th September 1952*

**S.R.O. 1547**.—In exercise of the powers conferred by section 27 of the Indian Arms Act, 1878 (No. XI of 1878), the Central Government is pleased to exempt Dr. Harihar Banerjee from the operation of the prohibitions and directions contained in section 6 of the said Act in respect of one 9 mm. Lugar Pistol and three hundred cartridges therefor.

[No. 9/55/51-Police (I)]

U. K. GHOSHAL, Dy. Secy.

**MINISTRY OF FINANCE**  
**Department of Economic Affairs**

*New Delhi, the 30th August 1952*

**Report of the Central Board of Directors of the Reserve Bank of India for the year July 1, 1951—June 30, 1952**

**S.R.O. 1548.**—In accordance with Section 53(2) of the Reserve Bank of India Act, 1934, the Central Board of Directors submits to the Central Government this Annual Report on the working of the Bank and the Accounts of the Bank for the eighteenth accounting period beginning on July 1, 1951, and ending on June 30, 1952.

**THE INTERNATIONAL SETTING**

**2. Retreat from the post-Korean Boom.**—Economic events in India, during the year under review, were inevitably influenced by the continuous retreat from the boom conditions generated by the Korean War in international trade. Purchases abroad by the U.S. for stockpiling purposes which had risen sharply in 1950, fell rapidly in the early part of 1951. Defence outlay continued to increase, but the rate of increase slackened. The requirements of the rearmament programme were met partly by an increase in gross domestic output and partly by utilising the stocks which had been built up earlier. The measures adopted towards the end of 1950 to restrict credit expansion and the easing of international tension towards the middle of 1951 contributed to a reduction in the rate of accumulation of inventories for business and consumption purposes. Prices in the U.S. by June 1951 receded from the peak levels of February-April 1951.

The result was a re-appearance of the problem of dollar shortage for most countries. While imports into the U.S. declined sharply from 1950-51 levels, exports recorded a continuous increase; there was no increase in the total of the U.S. Government grants, loans and private capital outflow. In consequence, the surplus of imports from America by the rest of the world could not be fully financed and from the third quarter of 1951 onwards many of the countries, especially countries in the sterling area, had to meet their dollar obligations by running down their gold and dollar reserves. Thus, in the place of an outflow of gold from the U.S. amounting to \$2,489 million during the period July 1950-June 1951, there was a net inflow of gold into the U.S. of about \$1,000 million during the second half of 1951.

**3. Sterling Area's Dollar Position.**—The impact of these changes was particularly severe on the sterling area, since this area depended mainly on raw materials for its dollar earnings and the prices of most of these fell very sharply. Tin, wool and rubber, for instance, the prices of which had risen during the Korean boom period by 143 per cent, 192 per cent and 175 per cent respectively declined by 33.4 per cent, 63.8 per cent and 46.7 per cent respectively by the end of February 1952. While the sterling area's surplus on goods and services account with the U.S. had reached \$171 million in the first quarter of 1951, there were deficits amounting to \$70 million in the period July-September 1951 and to \$500 million during the last quarter of the year.

In the latter part of 1951 the sterling area countries especially the U.K., had also large deficits with countries in the E.P.U. and substantial portions of these deficits had to be settled in gold or dollars. Consequently, the gold and dollar reserves of the sterling area, which had risen earlier from \$1,340 million at the time of the sterling devaluation in September 1949 to \$3,867 million by the end of June 1951, fell sharply to \$2,335 million by the end of December 1951. Sterling area reserves continued to decline in the first quarter of 1952, by the end of which they had been reduced to \$1,700 million. Since, March 1952 the drain has been somewhat reduced, but nevertheless the reserves at the end of June 1952 (\$1,685 million) were less than those at the beginning of 1950 and very much less than the amount held at the time of the Korean outbreak.

**4. The rapid depletion in the sterling area resources was due partly to the fall in the dollar earnings of the dependent territories and partly to the high level of imports by some members of the area to meet the demands of rearmament.** While efforts to promote exports continued, it was clear that the position could not be remedied without a drastic reduction in sterling area imports from the dollar area, the E.P.U. countries and other regions with which accounts had to be settled fully or partly in terms of gold and dollars.

In an effort to rectify their balance of payments position, it became necessary for these countries to resort to various measures to curb imports as well as domestic expenditures, increasing stress being placed on monetary and credit restriction to

achieve these objectives. In the U.K. the Bank rate was raised from 2 to 2½ per cent on November 8, 1951 and simultaneously the automatic supply of cash to the money market at half per cent through the purchase of treasury bills by the Bank of England was suspended. Treasury bills worth £1,000 million were converted into Serial Funding Stocks. Following these measures, the structure of interest rates was adjusted upwards and with the suspension of the automatic supply of cash through the 'special buyer,' the credit mechanism became more flexible and it became possible for the Bank of England to exercise a considerable measure of control over the expansion of credit.

Besides the reimposition of monetary discipline, the U.K. also reduced its stock-piling programme, restricting particularly imports from areas which had to be paid for in gold or dollars. It also reduced the food subsidies and other civil expenditure. Similar steps to curtail domestic expenditure through credit and other restrictions were taken by several countries in the sterling area.

**5. The Commonwealth Finance Ministers' Conference.**—In view of the serious deterioration in the sterling area's balance of payments position, the Finance Ministers of the Commonwealth countries met in January 1952 and discussed measures to be adopted by them jointly and severally. They agreed that the sterling area as a whole should be in balance with the rest of the world by the second half of 1952 at the latest, but it was recognised that the precise measures to be taken by each of the countries to achieve this result should be decided by the member concerned. There was also general agreement that the immediate steps to be taken should be directed towards ensuring a sound internal economy, increasing non-sterling export earnings, and wherever there was scope, reducing imports of goods and services. Emphasis was also laid at the Conference on each country exploring the possibility of securing non-sterling loans or improving the flow of private investment from the U.S. for its developmental requirements so as to relieve the draft on current earnings of dollars or on reserves. Following these decisions several members of the Commonwealth who are in the sterling area took steps to reduce imports. The U.K. imposed a further cut in her imports and the Bank rate was stepped up again to 4 per cent. Import cuts of varying magnitudes were also announced by Australia and South Africa.

The retreat from cheap money conditions and the tightening of import restrictions to meet the situation were not confined to the sterling area countries alone. Several European countries faced with similar problems also took measures to check indiscriminate expansion of credit and excessive spending within their territories.

#### DOMESTIC ECONOMIC DEVELOPMENTS

6. Upto a point, developments in India were similar to those in most other non-dollar countries. There was, during the first phase, a favourable turn in the terms of trade giving rise to a surplus in the balance of payments. But this was followed, as from the second half of 1951, by a deterioration in the trade position and the emergence of a deficit in the international accounts.

In respect of the internal economy, however, the problem in India was somewhat different from that in the countries of Western Europe and the U.S. The problem here was not rearmament but provision of funds for development against a background of general shortages of resources and an incipient inflation without upsetting the balance in the economy.

**7. Inflation and Finance for Development.**—In pursuance of this objective, budgetary policy in India had aimed at creating a revenue surplus and utilising it to finance development expenditure. Efforts were made by the Union Government to mobilise additional resources through taxation and borrowing without undue infringement on essential consumption and private investment. As a result, it has been possible to finance in 1951-52 a larger development outlay than in the previous year with the budget almost in balance.

Domestic inflationary pressures were also counter-balanced to a certain extent by the import surplus and increased output in industry and agriculture.

In spite of this there remained the problem of an expanded money supply, a legacy of the war and post-war years which sustained speculative activity and rendered difficult the task of balancing the demand for resources against the available supplies. Control, therefore, had to be established also on money supply to assist disinflation by discouraging speculative investment in inventories, and to facilitate the diversion of real and financial resources for economic development.

Steps were, therefore, taken to restrict credit expansion during the busy season in order to enforce the necessary degree of discipline in the money market.

**8. Shifts in Balance of Payments.**—As a result of the international developments described earlier, there was a reversal in the trend of prices in India during early 1951. In the months prior to April 1951, prices in India, like those the world over, had risen rapidly and the index number of wholesale prices (Economic Adviser's Index, base: year ended August 1939=100) touched the peak of 462 in mid-April 1951. The increase was due largely to the rise in the prices of industrial raw materials, the index for which rose from 491 in June 1950 to 683 in April 1951. This improvement in raw material prices and in the prices of textile manufactures turned at one time the terms of trade very much in India's favour and quantities exported had also increased very rapidly. At the same time imports decreased both in quantity and price owing to import restrictions and the cessation of trade with Pakistan until March 1951. India, therefore, had during this period a surplus in its balance of payments and steps had to be taken to prevent the surplus from impinging adversely on an already inflationary domestic economy. In pursuance of this objective, Government relaxed certain procedural restrictions on private imports with a view to enabling importers to secure as much supplies as possible of essential goods tending to become scarce and also increased imports on their own account; imports, however, continued to be restricted to essential commodities only. To prevent the rise in import prices from affecting the cost of living, and thereby production costs, food subsidies were continued though at a reduced level mainly in industrial and chronically deficit areas; after March 1952 they were reduced substantially in view of the decline in the general price level. In regard to exports, quotas were reduced and destination restrictions were tightened in respect of some commodities with a view to maintaining industrial output in the country or providing for essential consumption. Heavy export duties on hessian, sacking, cotton, etc., which had been levied towards the end of 1950, were continued in order to insulate the domestic cost price structure from inflation from external sources. These duties tended to bring about a diversion of resources from the private to the public sector and this had been a factor of considerable assistance in financing basic development. The main impact of these duties was, however, on the trading sector, in which private investment of a speculative character had contributed to the inflationary pressure without in any way adding to the productive capital stock of the country. It was this type of investment that was primarily affected, although it is possible that the imposition of the duties tended to restrict to some extent capital formation in the private sector.

By July 1951, however, the position had altered again. While the trend in export prices was reversed, imports continued to grow in value and in volume especially in the case of food, raw materials and other commodities essential for development and a position of deficit in balance of payments emerged. As a result of the import surplus the supply of goods and services available to the economy was augmented, and a larger supply even of goods normally exported, was available for domestic use. Both this and the larger flow of imports contributed to a reduction in the level of prices though at the cost of a more rapid utilisation of the foreign exchange resources.

**9. Industrial and Agricultural Production.**—There were also other factors which strengthened the declining trend of prices. Industrial and agricultural production increased appreciably, narrowing the gap between demand and supply. Between July 1951 and March 1952 provisional estimates of industrial production recorded an increase of 12.7 per cent over production in the corresponding nine-monthly period of July 1950 to March 1951—consumer goods industries like cotton textiles and sugar participating in the rise. The output of cotton cloth and yarn rose by 13.1 per cent and 15.7 per cent respectively. Output of sugar, in respect of which the policy of promoting free market sales of a prescribed quota was continued with certain modifications, recorded a rise of about 13 per cent in 1950-51 season as compared to the previous season; the output in the 1951-52 season was even larger. Output of steel between July 1951 and February 1952 was higher by 4 per cent, that of coal by about 8 per cent and of cement by over 20 per cent. Salt, electrical goods, power alcohol, caustic soda, paper and paper boards, sewing machines, oil engines, etc., are others which showed appreciable increases.

These increases were achieved in some cases by the expansion of installed capacity and in others by augmenting supplies of raw materials. Raw cotton and jute supplies from domestic sources had increased, and these were supplemented by imports of cotton mainly from the U.S.A. and Egypt and raw jute from Pakistan. Statistics of food production, such as are available, also indicate that domestic

food supply in 1951-52 was not less than in the previous year. The chief factor operating on the food front, however, was the import from abroad of 4.7 million tons of grain in 1951, facilitated to an appreciable extent by the American loan of \$190 million for the purchase of 2 million tons of wheat.

10. Although the increased domestic production over the year as a whole and an increased import surplus, especially since the last quarter of 1951, created on the side of supply a favourable setting for disinflation, the decline in prices was not significant. The price level was sustained even in the face of an increased supply of goods by the expansion of money incomes which had been going on apace during the war and post-war periods and also by the speculative influences which continued to withhold stocks from the market in anticipation of export liberalisation or import restrictions. That such speculation was financed by bank credit and liquid money was also evident from the fact that even during the slack season of 1951 bank advances remained at a high level and over the year the monetization of public debt through the sale of securities to the Reserve Bank had been substantial.

11. **Development and the Budgetary Prospect.**—These trends called for particular vigilance on the monetary front, viewed especially against the prospect of an increase in investment expenditure for accelerating economic development. By the middle of 1951 the draft Five-Year Plan was published, envisaging under certain assumptions, an outlay of Rs. 1,793 crores in the public sector together with an investment outlay in the private large-scale industries amounting to between Rs. 250-300 crores over the five-year period. This called for a cautious monetary policy and the harmonising of fiscal and monetary policies so as to ensure that no undue creation of incomes was initiated through public spending and that there were appropriate curbs on private spending.

12. As regards the budgetary aspect, the year 1951-52 was satisfactory particularly so far as the Union Government was concerned. Conscious of the need to accelerate the mobilisation of domestic resources to facilitate execution of the plans of development, various steps were taken by the Union Government. Export duties which had been stepped up towards the end of 1950 with a view to insulating the domestic economy from world inflationary pressures were continued at the levels justified by the internal and external price disparities right upto February 1952. Imports having been large, receipts from import duties also were high. Income- and super-taxes were raised as also excise duties on tobacco, motor spirits and kerosene. There was an increase in passenger fares on the railways to finance part of their rehabilitation and development programmes. As a result of the measures taken, the Union Government's revenue in 1951-52 attained the unexpectedly high figure of Rs. 497 crores, which, after meeting the expenditure charged to revenue left a surplus of Rs. 92.6 crores in the revenue account. This improvement in revenues together with the counterpart funds raised by the sale of American Loan Wheat made it possible for the Union Government to meet its obligations on revenue and capital accounts, the overall deficit being less than Rs. 4 crores instead of Rs. 52 crores envisaged at the beginning of the year.

13. The outcome of these various steps was that the Union Government was able to finance its developmental expenditure without adding significantly to aggregate demand. The position was somewhat different in the case of the State Governments. Their revenue receipts remained almost stationary, as no new taxes were imposed and the receipts from sales taxes merely offset the loss of excise revenues in States which introduced total prohibition. Some of the State Governments depleted their cash balances and accumulated reserves to carry out their developmental plans. The Governments of Part 'A' and 'B' States together drew upon their reserves and cash balances upto the extent of Rs. 65 crores in 1951-52 (revised estimates) as against only Rs. 2 crores in 1950-51. This tended to maintain the pressure of demand on domestic supplies from the public sector.

It must be stated, on the other hand, that the deficit in the public sector considered as a whole supported in 1951-52 a larger outlay on development than during the previous year. The development expenditure of the Central and State Governments (including the railways) rose from Rs. 252 crores in 1950-51 to Rs. 317 crores in 1951-52. This increase was in accordance with the programme incorporated in the draft Five-Year Plan.

14. **Speculation and Monetary Control.**—In the prevailing state of national income statistics in India, variations in the consumption and investment expenditures of the private sector can be assessed only very roughly, on the basis of certain broad indicators. On such meagre evidence, as is available, it would appear that

by and large consumption did not increase *pari passu* with increased supplies. Some of the steps taken by the Government, such as increased taxation and modification of food subsidies confining them only to specific areas probably assisted the process. In an underdeveloped economy, it is, however, investment outlay, especially in the trading sector, that is sensitive to changing circumstances, giving rise to a good deal of speculative demand. It is these activities that are also more amenable to control through monetary and credit policies than consumption expenditure. Though the tendency of prices to fall, which had been apparent in the quarter preceding July 1951, continued in the subsequent months, there were indications that private investment in the trading sector continued to be high. The slack season of 1951 was marked by an unusually high level of bank advances, contraction in bank credit being only about Rs. 86 crores as against the expansion of Rs. 180 crores in the preceding busy season. Part of this increased liquidity in the system was a reflection of higher investment in stocks. In view of this, it became increasingly clear that unless an effective check was put on credit expansion during the busy season of 1951-52, the decline in the general price level that had occurred since April 1951 might be reversed and that the balance of payments deficit which was widening since the second quarter of 1951 might reach abnormal proportions.

**15. A Growing Deficit in the Balance of Payments.**—During the second quarter, India's current transactions with the rest of the world resulted in a net deficit of Rs. 11 crores as against a net surplus of Rs. 19 crores in the previous three months. The deficit on current account increased sharply after July 1951. It rose to Rs. 38 crores in the period July-September, and to Rs. 64 crores in the last quarter of 1951. The balance of payments deficit in the first three months of 1952 at Rs. 82 crores was even larger. Taking the period July 1951 to March 1952, the deficit on current account reached the high figure of Rs. 184 crores as compared to a surplus of Rs. 68 crores in the corresponding nine-month period, July 1950 to March 1951. This large increase in the balance of payments deficit was due to several factors. India was enabled through the American Wheat Loan and assistance received under the Colombo Plan to increase her imports of food and other essential goods. There was also a sudden shift in the international supply position (as, for instance, in the case of cotton) which while facilitating larger imports of urgently needed raw materials turned, at the same time, the terms of trade against India and reduced the receipts from exports.

This large deficit in the balance of payments was to some extent a planned one, in the sense that it was envisaged as necessary for carrying out the development plans. The deficit, in other words, was necessary to enable the country to absorb the foreign exchange provided by various countries (including the amount of the U.S. Wheat Loan) for furthering development in India and the amount that could be drawn out of India's sterling balances. The Indo-U.K. Sterling Balances Agreement provided for an annual withdrawal of £35 million; and in addition India was able to utilise balances accumulated in the post-devaluation and post-Korean periods but unutilised during the previous years. At the same time it was necessary not to draw too heavily on the declining level of the country's foreign exchange resources through indiscriminate imports. It became, therefore, necessary to plan the size of the deficit to be large enough to absorb the external finance available during the year but not so large as to be an undue strain on the country's external balances.

#### MONETARY POLICY

**16. Change in the Bank Rate.**—The imposition of monetary restraints was timed to synchronise with the commencement of the busy season.

(1) On November 15, 1951, the Bank rate was raised to 3½ per cent from 3 per cent at which level it had remained since 1935.

(2) With a view to making the Bank rate effective, a fundamental change was made in the policy regarding the provision of funds by the Bank to meet the requirements of the scheduled banks during the busy season. In pursuance of the policy of maintaining interest rates on Government loans at the level established during and after the war, it was the normal practice of the Bank to buy Government securities offered to it for sale at the market rates. Scheduled banks were, therefore, able to provide themselves with funds during the busy season by selling to the Bank Government securities in their portfolio. As a result of this practice, the market was in a position to augment money supply freely even in the midst of inflationary pressures, a phenomenon which had been witnessed in most other countries, including the U.S.A.,

where interest rates were pegged at the comparatively low levels established during the war in pursuance of the policy of cheap money.

Simultaneously with the raising of the Bank rate, the Reserve Bank announced that during the ensuing busy season, it would, except in special circumstances, refrain from buying Government securities to meet the seasonal requirements of scheduled banks, but would as a normal practice advance money at the prevailing Bank rate on Government and other securities specified in Section 17(4)(a) of the Reserve Bank of India Act. Though the banks were availing themselves of the facility of pledging government securities for busy season advances, the amounts so obtained generally tended to be small, there being an obvious preference for accommodation through the sale of securities. Advances to banks under Section 17(4)(a) amounted to Rs. 23.7 crores in 1946-47, and in the subsequent four years they were Rs. 2.1 crores, Rs. 16.1 crores, Rs. 20.3 crores and Rs. 47.9 crores, respectively. But after the change in the Bank's policy, the magnitude of such advances increased considerably. Since the margin in the case of such advances was only about 5 per cent, the banks obtained through pledging securities nearly as much as they would have got by the sale of securities to the Bank, advances granted to scheduled banks under Section 17(4)(a) during 1951-52 being as large as Rs. 166.6 crores. But the changed procedure helped to make the Bank rate effective, while it ensured that at the end of the busy season the securities would be returned and money supply contracted automatically. The outstanding advances at the end of June 1952 were only Rs. 1.68 crores.

- (3) The Reserve Bank had been supporting the 3 per cent Conversion Loan 1986 at Rs. 93 since December 1950, and giving reasonable facilities to scheduled banks to convert their holdings of long-dated securities into short or medium-dated ones. With the raising of the Bank rate and the inevitable steep fall in the prices of Government securities, the support at this figure had, of course, to be withdrawn, but it was resumed a few weeks later at a lower figure.

17. The public announcement of the change of policy in regard to purchase of securities to meet seasonal demands for funds has provoked some comment based on the assumption that it was a departure from the normal practice of secrecy followed by Central Banks in their open market operations. Such operations must, of course, be conducted (and are conducted by the Reserve Bank) in the utmost secrecy especially in regard to the details of the execution of an accepted policy. A radical change in a policy that had been pursued for many years is, however, on a different footing. It is not unusual for Central Banks or for Governments to make authoritative announcements of such changes. For instance, in the United States of America, the statement of "full accord" announced by the U.S. Treasury and the Federal Reserve System jointly on March 4, 1951, was preceded by widespread public controversy and Congressional enquiries, before which Federal Reserve Officials themselves participated by tendering evidence on the wisdom or otherwise of the Federal Reserve pegging the interest rates at a level where monetisation of public debt was rendered easy, when there were possibilities of a general inflation. In the United Kingdom, in the course of his speech in the House of Commons on November 8, 1951, the Chancellor of the Exchequer announced that he had, in consultation with the Governor of the Bank of England, come to the conclusion that it was necessary to depart from the arrangement then in force under which in practice the Bank rate was ineffective and the Bank of England supplied the needs of the money market at fixed and very low rates.

18. As a result of these monetary measures, there was, as expected, a general rise in interest rates. The Imperial Bank stepped up the general rate on advances from  $3\frac{1}{2}$  per cent to 4 per cent, the *hundi* rate from 4 per cent to  $4\frac{1}{2}$  per cent, the call rate for advances to banks against Government securities amounting to Rs. 5 lakhs and above from  $2\frac{1}{2}$  per cent to 3 per cent and for amounts less than Rs. 5 lakhs from 3 per cent to  $3\frac{1}{2}$  per cent. As the season progressed, call money rates of the larger scheduled banks hardened; and the Imperial Bank further increased the rate of advances of Rs. 5 lakhs and above to banks against Government securities to  $3\frac{1}{2}$  per cent and that on amounts below Rs. 5 lakhs to  $3\frac{1}{2}$  per cent. With this increase the Imperial Bank rate on advances against Government securities equalled the Bank rate, so that it was no longer cheaper for the scheduled banks to borrow from the Imperial Bank rather than the Reserve Bank.

**19. Change in Open Market Operations.**—The rise in the Bank rate would not by itself have had the effect of increasing the degree of control exercised by the Reserve Bank on the supply of money and credit in the system, had the Reserve Bank continued to buy Government securities in the open market as rapidly as it had done in the previous busy season. It was therefore inevitable that the Bank rate policy should be supplemented by an adjustment in the Reserve Bank's open market policy, so as to prevent the monetisation of public debt by the banks. For instance, the net purchases of securities by the Reserve Bank of India in 1950-51 had been of the order of Rs. 75 crores.

The withdrawal of the Reserve Bank's support to the securities market resulted in a sharp fall in the prices of the gilt-edged. The Reserve Bank of India index number of Government of India securities (base: 1938=100) declined from 98.0 for the week ended November 10, 1951 to 92.7 during the week ended December 1. The 3 per cent Conversion loan which was being quoted at the official support level of Rs. 92.11 since September 17 declined to Rs. 87.8 by November 15, and to Rs. 80 by December 3. The prices of industrial securities, which had shown a tendency to sag for a considerable period in the past, showed further declines, but in general the fall in their prices was much less than that of the gilt-edged. As a result of the sharper fall in Government securities, there was, subsequent to the change in Reserve Bank's policy, a narrowing of the spread between yields on gilt-edged and other securities. The yield on 3 per cent Conversion loan which had stood at 3.09 per cent at the end of March 1950 and 3.24 per cent at the end of September 1951 had risen to 3.73 per cent by the end of December 1951. The increase in the yields on other long-dated government securities was of about the same magnitude. Subsequent to December 3, when the Reserve Bank renewed its support to the 3 per cent Conversion loan at a lower figure, a certain measure of stability was imparted to the prices of gilt-edged securities.

**20. The Banking System and Monetary Control.**—The immediate effects of the new monetary policy were thus a hardening of the structure of interest rates and a stoppage of the automatic expansion of liquidity in the system through the Reserve Bank's purchases in the open market. As a consequence, the banks were compelled to meet the demands for credit during the busy season by resorting increasingly to the loan facilities afforded by the Reserve Bank, particularly after the Imperial Bank had raised its call rate on advances against Government securities. The Reserve Bank thus acquired a greater measure of control than it ever had over the banking system.

#### CREATION OF A BILL MARKET IN INDIA

**21.** An event of outstanding significance during the year was the introduction of a bill market scheme in January 1952. The Indian Central Banking Enquiry Committee, 1931, had investigated the problem of creation of a bill market in India and had indicated the difficulties arising from Indian banking practices. The Reserve Bank had not been established at that time, and the Imperial Bank for most purposes functioned as the bankers' bank. Since the Imperial Bank itself was a competing commercial bank, other banks were reluctant to disclose their bill portfolio to a rival bank. Government securities were, therefore, a more popular form of asset than trade bills. Apart from this, as the Committee pointed out, the system of cash credit in vogue in India which has definite advantages to both the lender and the borrower was an impediment in the way of a more extensive use of bills. In the case of cash credits, interest is generally paid only to the extent that credits are used and the bank can withdraw credits in the event of deterioration in the position of the borrowing party.

**22.** The position had to some extent altered after the establishment of the Reserve Bank in 1934. Apart from this, the importance of basing seasonal expansions of currency on self-liquidating bills as far as possible had been emphasised by developments during recent years. Owing to lower deposits, higher prices, larger imports and reduced Government securities holdings resulting from net sales to the Reserve Bank for financing seasonal requirements, the capacity of scheduled banks to meet trade demands had been unduly strained. It was, therefore, imperative that a determined attempt should be made to overcome the difficulties by the development of usance bills. A tentative scheme was prepared and discussed with representatives of the bigger scheduled banks. The salient features of the scheme that was finally introduced are briefly as follows:—

- (1) Advances would be granted to scheduled banks under Section 17(4)(c) of the Reserve Bank of India Act by way of demand loans on the security of usance promissory notes of their constituents. For this

purpose the banks would split up the loan, cash credit or overdraft accounts of their constituents into two parts, one part being covered by a demand promissory note to permit the borrower to make repayments or withdrawals as desired, while the other part representing the minimum requirements of the borrower for a period of about three months, would be converted into usance promissory notes for ninety days

- (2) It was decided that advances under the scheme should be at half per cent. below the Bank rate. The Indian Central Banking Enquiry Committee had recommended that the rate for loans against authorised securities should be higher than the rate for bills and that it would be useful to have a larger margin between these rates at the outset.
- (3) The Indian Central Banking Enquiry Committee had also recommended the abolition of the stamp duty on bills. The State Governments were not, however, likely to accept the suggestion. As a concession to the borrowers, therefore, it was decided that the Reserve Bank should bear half the cost of the stamp duty incurred in converting the advances into bills although the rate of the duty is now fairly low, having been reduced to 2 annas per Rs. 1,000 in 1940.

23. For reasons of administrative convenience the scheme has been confined to banks having deposits of not less than Rs. 10 crores and a minimum limit of Rs. 25 lakhs has been fixed for each advance. Similarly, a minimum limit of Rs. 1 lakh has been fixed for each bill. As the scheme had to be worked out in consultation with the banks it could not be introduced at the beginning of the busy season and banks took some time to familiarise themselves with the procedure to obtain the borrowers' consent, documents, etc. Notwithstanding the initial difficulties, in the few months of its working, the scheme has proved a notable success. Loans outstanding against bills touched a peak of Rs. 29.6 crores on May 10, 1952, and upto June 30, 1952, a gross amount of Rs. 74 crores had been borrowed. Advances outstanding on June 30, 1952, amounted to Rs. 17.7 crores, against limits sanctioned to the extent of Rs. 61.1 crores. It has been decided to make the scheme a permanent feature of the economic structure and as the impediments have been mostly overcome, it is hoped that the foundations of a bill market in India have been firmly laid.

24. **Change in Money Supply.**—The measures taken at the beginning of the busy season of 1951-52 had the desired effect of preventing a large expansion of money supply with the public; and in addition they altered considerably the magnitude of bank advances. In the period October 26, 1951 to April 11, 1952, covering the busy season, money supply with the public increased by only Rs. 8.7 crores, as against an increase of Rs. 216.3 crores in the busy season of 1950-51 extending from September 29, 1950 to April 27, 1951. In both, the increase in money supply consisted of an increase in notes in circulation, which rose by only Rs. 41.3 crores in the 1951-52 season as against a rise of Rs. 185.3 crores in the 1950-51 season. Demand liabilities of scheduled banks contracted by Rs. 23.0 crores in the 1951-52 season compared to a rise of Rs. 1.0 crore in the previous busy season.

25. **Change in Bank Credit.**—The change in regard to bank credit was also remarkable. Bank credit which had contracted by Rs. 85.86 crores in the slack season (May 11, 1951 to October 26, 1951) rose by only Rs. 99.96 crores between October 26, 1951 and March 7, 1952. This increase was very much smaller than the expansion between November 24, 1950 and May 11, 1951 which amounted to Rs. 180.29 crores. It is, of course, true that the relatively smaller contraction in the slack season of 1951 may have had some effect on the comparatively moderate expansion of bank credit during the following busy season. But the change in monetary policy did have the effect of narrowing the amplitude of variation in bank advances between the slack and busy seasons.

Apart from the slowing down of the rate of expansion of bank credit, there was also a marked change in the distribution of bank advances. The scheduled banks had to turn to the Reserve Bank for financial accommodation and this led the banks to exercise greater caution in their lending operations. Figures available from surveys of bank advances conducted by the Reserve Bank indicate that between December 1951 and March 1952 the advances made by scheduled banks for commercial purposes increased by only Rs. 5.8 crores as against a rise of Rs. 64.1 crores in the corresponding quarter of the previous year. Industrial advances, on the other hand, showed a much smaller variation advances rising by Rs. 28.0 crores in the first quarter of 1952 as against Rs. 43.8 crores a year earlier.

26. By and large, therefore, the new monetary policy secured the objectives of preventing a large expansion of money supply during the busy season, and of enabling the Reserve Bank to have more effective control on the magnitude and purpose of bank advances. The developments described earlier in the governmental and foreign exchange sectors also facilitated the attainment of these objectives and helped significantly in the effort to gain control on the monetary factors in the economy and to render the credit mechanism less inflexible than it had been for a long time. These changes in the Reserve Bank's operations were designed to creating conditions which would facilitate the expansion of credit for *bona fide* transactions without facilitating the continuance of any significant scale of speculative transactions based on bank credit.

27. **Money Supply and Prices.**—The reduction in the volume of credit which followed these measures restricted the scope of speculative trading and the effect of this was reflected widely in early 1952. Prices which owing to the operation of international factors had maintained a downward trend since June last year registered a steep fall between February and March 1952. The general index of prices which averaged 416 in February came down to 365 by the middle of March. This was due largely to a break in the prices of industrial raw materials, which were the main object of speculative interest. Prices of foodgrains and semi-manufactured articles also fell, though the reduction in their prices was much less than in the case of industrial raw materials. The fall in raw material prices increased the eagerness of traders to reduce the stocks and improve their liquid position. The bearish sentiment in commodity markets spread to the bullion and security markets also and the prices of bullion and equities came down sharply. The position was rendered difficult by a lull in the export market so that there appeared little scope for relieving the pressure of stocks through sales abroad. With a view to improving the export prospects, the Government reduced export duties drastically, especially in the case of hessian and sacking, and lifted quota and destination restrictions on the export of a variety of goods. The arrival of a large quantity of American and East African cotton about the same time as traders were trying to reduce their holdings of stocks necessitated further action on the part of the Government. The Government of India guaranteed to buy at listed prices cotton held by banks as security against advances, if the banks were obliged to sell these stocks. Following this guarantee by the Government, the Reserve Bank assured the scheduled banks that reasonable facilities would be made available to them to finance the purchase of Indian and imported cotton.

28. The nervousness which existed in February and early March following the rapid decline in the price level gradually disappeared as commodity prices recovered and tended to move upwards slowly, save for a temporary setback in May. The movement was assisted by the substantial increase in exports of jute manufactures, vegetable oils and raw cotton during the second quarter of 1952. The loans made by the Bank against government securities and usance bills helped to relieve stringency in the money market and assisted in the process of readjustment. By the end of June 1952 the general index of prices had risen to 381, a rise of over 4 per cent. compared with the lowest level touched during March 1952.

#### BANKING INSPECTION AND SUPERVISION

29. **Inspection, Supervision and Control of Banks.**—The fundamental objective of bank supervision is the maintenance of a sound banking system, and bank inspections form a very important aspect of bank supervision. Although specific powers to inspect banks have been granted to the Reserve Bank under the Banking Companies Act, 1949, there is no statutory obligation to carry out inspections at regular intervals. Nevertheless, the Reserve Bank has decided, as already announced in July 1949 and later reiterated in February 1950, to make bank inspections a regular feature of its activities by instituting systematic periodical inspections of all banks irrespective of their size and standing. The object is to detect and remove the defects in the working of banks before they assume serious proportions necessitating drastic action. Regular inspections in pursuance of this policy were commenced in March 1950 and by the end of June 1952, 251 banks had been inspected. Of these, 168 banks were inspected under Section 22 of the Act for ascertaining whether a licence should be granted to carry on banking business and the remaining 83 banks were inspected under Section 35 of the Act to assess their financial position and methods of operation. Apart from these regular inspections, the inspection of 11 banks was carried out under Section 37(2) of the Act in connection with the applications of the banks for moratoria and 5 banks were inspected under Section 44A and 25 banks under Section 45 for scrutiny of their schemes of amalgamation and schemes of arrangement respectively.

30. A critical analysis of the defects noticed during the inspections shows that although the banking system as a whole continues to be sound, the methods of operation and working of a number of banks in the country, judged by the accepted canons of banking, leave considerable scope for improvement. The defects observed during the inspections are pointed out to the banks concerned for early eradication. Wherever necessary, the banks are asked to submit periodical reports to enable the Reserve Bank to watch the steps taken by the banks and to assess the progress made in the rectification of the defects. On June 30, 1952, 6 banks were submitting monthly reports and 138 banks were turning quarterly reports. The progress reports are carefully scrutinised and, wherever necessary, suitable instructions are issued to the banks. In the case of 6 banks, the defects noticed were of a serious nature. Certain conditions have, therefore, been imposed on two of the banks, who have been asked to submit monthly reports indicating the progress made in complying with the conditions. The cases of the remaining 4 banks were under consideration. One bank, whose financial position and general working were found unsatisfactory, has been advised to amalgamate with another bank operating in the same area, the State Government concerned being interested in both the banks.

31. Constant vigilance by the Reserve Bank and sustained efforts on the part of the banks concerned to remove defects have tended to strengthen individual banks, and to inspire confidence in the banking system as a whole. The partial merger of the Bharat Bank Ltd., with the Punjab National Bank Ltd., and the amalgamation of 4 banks in West Bengal leading to the formation of the United Bank of India Ltd., may be cited as outstanding examples of attempts to safeguard the position of the depositors. Reform in regard to methods of working and banking practices is, however, a slow process, especially as the defects are largely due to lack of suitable trained personnel with the requisite experience for managements of banks. It is difficult to assess qualitatively the results of systematic bank inspections, though they have undoubtedly contributed greatly to the stability of the banking structure during the last two years. A quantitative assessment is, however, feasible in certain respects. For example, a comparison of the data relating to 'Investments in Government securities,' 'Advances,' 'Reserves,' etc. at the end of 1949 and 1951 indicates a general improvement. In regard to investments in Government securities the number of banks having investments not exceeding 10 per cent. of their deposits declined from 243 at the end of 1949 to 127 at the end of 1951. There was a corresponding rise in the number of banks having investments between 11 per cent. and 30 per cent. of their deposits, the number of such banks rising from 96 at the end of 1949 to 164 at the end of 1951. The number of banks whose advances exceeded their deposits declined from 184 to 152 between 1949 and 1951 indicating that some of the banks had taken steps to improve their over-extended position. At the end of 1951 bank reserves also indicated a distinct improvement as compared to the figures at the end of 1949 as shown below:—

			Number of banking companies having		
			Noreserves	Reserves less than 50% of the paid-up capital	Reserves equal to or more than 50% of the paid-up capital
1949	..	..	40	243	118
1951	..	..	26	218	133

The total number of offices of banks in the country also recorded a decline from 4,441 to 4,178 indicating a gradual weeding out of unremunerative units.

32. It can thus be stated that on the whole the banks have generally taken steps to remedy the defects and have been willing to implement the advice tendered by the Reserve Bank. There is no doubt that the prospect of periodical inspections by the Reserve Bank and the penalties which can be imposed under the Banking Companies Act on the basis of such inspections are definitely operating as a powerful deterrent to banks which resort to or continue unsound policies and practices.

33. Besides the measures described above, in exercise of the powers vested in it under the Banking Companies Act, 1949, and the Reserve Bank of India

(Amendment) Act, 1951, the Bank took other steps to promote sound banking practices in the country and continued to supervise and control banking institutions.

Under Section 24 of the Banking Companies Act, banks are required to maintain a certain proportion between their demand and time liabilities and their liquid assets. The returns submitted in this connection were scrutinised and it was found that, except in the case of two non-scheduled banks, defaults were in the main of a casual nature. There was no occasion to invoke the penalties prescribed under the Act for such irregularities.

34. In view of the difficulties experienced by a number of banks in the matter of complying in time with certain provisions of Section 24 of the Banking Companies Act, the Reserve Bank recommended to the Government the extension of the existing exemptions for a further period of one year from June 9, 1952. These exemptions will enable a banking company (1) to exclude borrowings made from the Imperial Bank in computing the amount of its liabilities for purposes of Section 24, and (2) to treat as unencumbered the approved securities lodged with another banking company for an advance or credit arrangement, to the extent to which they have not been drawn against or availed of. Besides these general exemptions, the Central Government, on the recommendation of the Reserve Bank, granted specific exemptions to individual banking companies whose circumstances warranted the granting of such relief.

35. Consequent on the passing of the Reserve Bank of India (Amendment) Act which came into force on November 1, 1951, the Scheduled Banks Regulations framed in terms of section 58(2)(o) of the Reserve Bank of India Act, 1934 were revised, incorporating the liberalised rules in regard to remittances in favour of the scheduled banks and the enlarged scope of the facilities hitherto available to the banks for transferring funds through the offices and agencies of the Reserve Bank. The liberalised rules themselves had come into force on September 1, 1951.

36. An important relief afforded to banks, subsequent to the change in the monetary policy of the Reserve Bank, was in respect of valuation of government securities in the balance sheets for the year ended 1951. With the fall in the prices of these securities, following the withdrawal of support by the Reserve Bank in November 1951, the banks represented that the valuation of the securities in terms of market prices might have certain adverse repercussions. In view of the genuine difficulties that would arise in the case of banks holding substantial blocks of government securities, the banks were exempted from showing the market value of securities as on the last day of the accounting period, provided they showed separately the average market value of their investments in government securities during the six months immediately preceding the last working day of the year 1951; these average values were to be computed in accordance with the average market value over the six-month period as determined by the Reserve Bank. Further, banks were also exempted for the year 1951 from the provisions of Section 17 of the Banking Companies Act to enable them to write off the losses on their investments in government securities by drawing upon their reserve funds maintained in accordance with that section.

It is interesting to note that the British banks have recently been obliged for similar reasons to alter their accounting procedure, owing to the very heavy fall in the market value of their investment holdings (practically all of them gilt-edged securities) as a result of the raising of the Bank rate and other monetary measures taken by the Government of the United Kingdom. Four of the big five banks have after a joint discussion decided to show Government securities in their balance sheets on June 30, 1952, 'at or under cost and below redemption value' and not at 'under market value' according to traditional practice. The actual market value will be shown in a footnote.

#### RURAL FINANCE AND EXTENSION OF BANKING FACILITIES

37. **The Rural Banking Enquiry Committee and the Informal Conference on Rural Finance.**—In no other sphere perhaps as in that of rural finance is it of so little use, in Indian conditions, to turn for guidance to the central banking practices evolved in the highly industrialised countries of Western Europe. In this matter, as in the extension of banking facilities generally, fresh approaches had to be thought out; and it was in order that the lines laid down might be sound and well-considered that, at the suggestion of the Reserve Bank, the Government of India appointed the Rural Banking Enquiry Committee (1949-50), while the Bank itself subsequently convened an Informal Conference for the discussion of its role in rural finance (February, 1951). Reference has been made in the last

Report to the various recommendations of the Committee and of the Conference. Many of these have since been implemented by the Departments of Banking Development and Agricultural Credit. The progress made is best reviewed in relation to what might be termed the three-fold approach to banking extension laid down by the Rural Banking Enquiry Committee, and the three-fold approach to rural finance agreed upon at the Informal Conference.

38. The Rural Banking Enquiry Committee said in effect that conditions should be created:

- (1) for co-operative banks to extend beyond the town to the village, and commercial banks, beyond the bigger to the smaller town,
- (2) for the Imperial Bank to extend beyond banking treasuries to non-banking treasuries, and
- (3) for the Reserve Bank to extend beyond Part A States to Part B States.

**Three-fold Approach to Banking Extension.**—Accordingly, the Committee was concerned in the first set of recommendations to make detailed suggestions for the provision of better facilities, including cheaper remittance, for banks generally, including co-operative banks. In the second, it was specifically concerned with the provision of such facilities at places where they did not exist before, but where they could be readily introduced, for the benefit of banks and the public, if the Imperial Bank took over the cash work of the treasury and ran the currency chest. A wider network of such branches for Part A States was therefore recommended. The problem had to be tackled on different lines in Part B States, since many of these had built up their own banking institutions which, in some cases, were in charge of their treasury operations. In order to be able to initiate programmes of banking extension and rural finance in these States, it was clearly necessary that the Reserve Bank should have powers and status comparable to those it possessed in Part A States as the sole banker of the Governments of those States. The third set of recommendations envisaged, therefore, that the Bank would conduct and complete the requisite negotiations with the State Governments concerned, and, in fulfilment of the process of federal financial integration, commence to function in Part B States on the same basis as in the rest of India.

39. In the more specialised context of agricultural credit, a number of proposals were discussed and accepted at the Informal Conference which, for convenience of classification, could be regarded as steps:

- (1) for enabling the Reserve Bank to function more effectively within the existing frame-work,
- (2) for enlarging the frame-work, so far as that could be readily decided upon and carried out, and
- (3) for eventually designing a new and co-ordinated frame-work in the light of facts to be ascertained.

**Three-fold Approach to Rural Finance.**—Under its statute, the relevant operations of the Reserve Bank are restricted, broadly speaking, to short-term agricultural credit; and, in practice these operations are further confined to States in which the pyramidal structure of co-operative credit, with a State co-operative bank at the apex and primary credit societies at the base, is relatively well-developed. Within these limitations of law and organisation, however, the Conference felt that there were procedural details which could be improved and other reforms which could be introduced with a view to ensuring a freer and more effective flow of agricultural credit from the Reserve Bank. The first set of recommendations comprised suggestions for reform and improvement of this type, that is to say, those which could be given effect to within the existing frame-work. The next category dealt with the legal and structural limitations mentioned above, and included recommendations, firstly for the amendment of law, so as to extend the scope of the Bank's operations to certain items such as medium-term agricultural credit and short-term credit for cottage industries, and secondly for the re-organisation of the co-operative credit structure of those States in which it was relatively undeveloped or was in need of rehabilitation. It was felt that, if the frame-work was thus enlarged, the Bank would have added scope for dealing with several pressing problems of rural finance. Up to this stage the recommendations were concerned with what it would be practicable to take up without much delay; they were based on considerations not dependent on the collection of any large new data or the investigation of new material, such as would be indispensable for the formulation of any well-considered long-term policy. Dealing with this latter aspect, and as a preliminary to the eventual designing of a new frame-work, the

third main recommendation of the Informal Conference was that an All-India Rural Credit Survey should be planned and conducted under the auspices of the Bank.

40. Some of the more important steps taken by the Bank in pursuance of the recommendations briefly summarized above may now be indicated.

**Cheaper Facilities for Remittance.**—The Bank accepted the various suggestions made for the liberalisation of the remittance facilities available to commercial banks, co-operative banks and societies and indigenous bankers. Accordingly, with effect from September 1, 1951, the rates of exchange on remittances issued on behalf of these institutions from the offices of the Reserve Bank, branches of the Imperial Bank, and such treasuries and sub-treasuries as maintain chests of the Issue Department of the Reserve Bank, have been reduced as indicated below. The former rates were:

Up to Rs. 5,000	..	@	1/16% (Minimum Rs. 1)
Over Rs. 5,000	..	@	1/32% (Minimum Rs. 3-2-0)

These have now been reduced to:

Up to Rs. 5,000	..	@	1/32% (Minimum Rs. 1)
Over Rs. 5,000	..	@	1/4% (Minimum Rs. 1-0-0)

In addition, the Scheduled Banks' Regulations have been amended with effect from the same date so as to enlarge the scope of the facilities available to scheduled banks for the transfer of funds through the offices and agencies of the Reserve Bank. Scheduled banks are now entitled to transfer funds from branches of the Imperial Bank to any account with the Reserve Bank, whether or not they maintain accounts with the Imperial Bank, or have offices at the places from which the remittances are desired. Similar facilities have also been made available to such state co-operative banks as maintain accounts with the Reserve Bank.

41. **Better Facilities for Conversion and Exchange of Notes and Coin.**—Steps were also taken for increasing the facilities available for the conversion and exchange of notes and coin. So far as the Imperial Bank is concerned, as a result of discussions between the two Banks, arrangements have been agreed upon for strengthening the cash department staff and suitably increasing the vault room space at a number of branches. It has also been arranged that, wherever feasible, large tenders of notes and coin from scheduled banks and co-operative banks will be accepted at the branches of the Imperial Bank under the 'guarantee bond' system on the lines of the procedure in force at the offices of the Reserve Bank. To relieve congestion and thus enable the branches of the Imperial Bank to receive notes and coin freely from banks and members of the public, proposals are under examination for the establishment of Note Cancellation Sections at certain additional branches of the Imperial Bank.

42. **Treasury Reform and Provision of More Banking Facilities.**—Further, the Reserve Bank has urged on the various State Governments, by correspondence as well as during personal discussions, the need for the reform of treasuries and sub-treasuries on the lines recommended by the Rural Banking Enquiry Committee. One of the main lines of reform suggested was the formation of a separate cadre for treasury officers, and the withdrawal of extraneous duties, such as those connected with revenue administration, from both treasury officers and treasury staff. One State Government has already taken suitable action and others are examining the financial and other implications of the proposals of the Committee. The recommendation that the State Governments should be allowed to retain the exchange realised on all remittances issued at a premium by the treasury agencies in their respective areas, to enable them to meet a part of the cost of the suggested reforms, has been accepted by the Reserve Bank and the State Governments have been authorised to retain the exchange from the date on which the reduced rates of remittances came into force viz., September 1, 1951. One of the recommendations of the Rural Banking Enquiry Committee was that banks should be permitted to keep their iron safes and chests for safe custody in the strong rooms of treasuries and sub-treasuries. The Government of India appreciated the need for such facilities and, at the request of the Bank, addressed a letter to State Governments suggesting that the facilities in question should be afforded to banks. Some of the State Governments have accepted the recommendation and the matter is being pursued with the others.

**43. More Branches of the Imperial Bank.**—As already stated, one of the recommendations of the Rural Banking Enquiry Committee was that banking facilities should be enlarged through an increase in the number of offices of the Imperial Bank of India and consequently of the currency chests held by that bank on behalf of the Reserve Bank of India. Discussions were held, in pursuance of this recommendation, between the representatives of the Reserve Bank and the Imperial Bank and, as an initial step, a short-term programme covering a period of two years from July 1, 1951 was agreed upon. About thirty new branches will be opened by the Imperial Bank during this period. In addition, some of the existing Treasury Pay Offices of the Imperial Bank will be converted into branches. The Imperial Bank has since applied for and been granted licences to open thirteen new branches. For the conduct of Government business at branches opened on or after July 1, 1951, the Imperial Bank will be paid a turnover commission at the rate of 1/16th of one per cent. This arrangement is to be distinct from the main agreement between the Reserve Bank and the Imperial Bank in regard to the remuneration payable for the conduct of the cash business of Government treasuries. The main agreement also came up for review, in respect of the quinquennium 1950-55, and it was agreed that the following formula should be adopted for calculating the commission in terms of the turnover on Government account:

"On the first Rs. 150 crores	...@1/16th of one per cent.
On the next Rs. 300 crores over Rs. 150 crores	... @1/32nd of one per cent.
On the remainder of the total of receipts and disbursements dealt with annually on account of Government by the Imperial Bank on behalf of the Reserve Bank of India	... @1/64th of one per cent.

Provided that if the total turnover exceeds Rs. 1,200 crores during any year, the rate applicable to the turnover in excess of Rs. 1,200 crores would be 1/128th of one per cent."

**44. Reserve Bank and Part B States.**—Negotiations have been in progress with the Governments of Part B States with a view to the Reserve Bank being appointed their banker as recommended by the Rural Banking Enquiry Committee. With two of these Governments, *viz.*, Madhya Bharat and Travancore-Cochin, agreements have already been signed bringing the new arrangement into force from July 1, 1952. Subject to certain transitional provisions included in the agreements with a view to avoiding any undue dislocation of existing arrangements, it has now devolved on the Reserve Bank to conduct on behalf of these Governments all their money and banking transactions, be in charge of their remittance and exchange facilities, manage their public debt, issue their new loans if any, receive their cash balances and deposits and when need arises grant them ways and means advances in accordance with the prescribed procedure. To enable the Reserve Bank to discharge some of these functions, currency chests will be gradually established in the two States. In Madhya Bharat, the cash work of the treasuries will continue to be conducted by the State Government in all places except Gwalior, Indore, Ratlam and Ujjain where the Imperial Bank has branches. At these places the Imperial Bank functions as the agent of the Reserve Bank under the general agreement between the two banks. In Travancore-Cochin, it has been agreed that the treasury work will be conducted by the State Government departmentally for a period of three years, after which the position will be reviewed and the Travancore Bank considered for appointment as the agent of the Reserve Bank. Discussions are being conducted with the Governments of other Part B States with a view to reaching a settlement on the different issues involved, as a preliminary to the execution of agreements similar to those concluded with Madhya Bharat and Travancore-Cochin. A large measure of agreement has been reached with many of the remaining States and, meanwhile, selected treasury officials of the States concerned have been trained in the procedure relating to ways and means advances, currency chests, etc. The training was conducted partly in convenient district treasuries of Part A States and partly in the appropriate Departments of the Reserve Bank.

**45 Rural Finance: Recent Amendments of the Reserve Bank of India Act.**—To turn now to rural finance and to the role of the Reserve Bank in relation to co-operative credit generally and co-operative agricultural credit in particular, mention may first be made of two amendments to the Reserve Bank of India Act which were already before Parliament when the Informal Conference met in February 1951 and which have since been passed and (in November 1951) brought into effect. The first of these amendments related to Section 17(2)(a) of the Act and, in regard to the purchase, sale or rediscount of bills of exchange and

promissory notes arising out of *bona fide* commercial or trade transactions, placed the state co-operative banks on the same footing as scheduled commercial banks. This amendment had been supported by the Informal Conference in view of the increased participation of co-operative banks in the financing of certain non-agricultural activities such as consumers' co-operation and distribution of controlled goods. A detailed procedure has since been laid down to enable co-operative banks to take advantage of the amended provision. The second amendment was of great importance from the point of view of the agricultural credit operations of co-operative banks. It related to Section 17(2)(b) of the Act and increased to 15 months the previous maximum of 9 months for which accommodation could be made available by the Bank for the purpose of financing seasonal agricultural operations and the marketing of crops. Following the advice given by the Informal Conference, the Reserve Bank now adopts, for accommodation given by it under the amended Section, a period of 12 months in normal cases and of 15 months in exceptional instances.

**46. Procedural Reform.**—Along with these amendments of law made by Parliament, certain important reforms in procedure were effected by the Bank, in pursuance of the recommendations of the Informal Conference, with a view to enabling co-operative banks to make larger, freer and more effective use of the financial facilities available from the Bank. In the past, all loans and advances taken from the Reserve Bank by a state co-operative bank had to be repaid by a fixed date, *viz.*, September 30, irrespective of the date of borrowing. Further, a limit was fixed, not for the total outstandings on any given date, but for the total borrowings during the relevant period. No account was taken, for the purposes of the limit, of any repayments made during the period. This procedure has since been radically modified in the light of the recommendations made by the Informal Conference. The stipulation that all loans and advances should be repaid by September 30 each year has been given up. It has been agreed that, for computing the period at the end of which repayment is due—whether this be 12 months as in the normal case or 15 months as in exceptional instances—each loan or advance for agricultural purposes will be treated as a distinct transaction, and the full period allowed for each transaction. A “credit limit” is still fixed for each central co-operative bank or marketing society which approaches the Bank for accommodation, but this limit is now related, not to borrowings irrespective of repayments, but to the total amount outstanding on any day during the relevant period. The limit is reviewed from year to year, and if necessary revised on the basis of the latest data available in respect of the institution. The year adopted for the purpose of fixing the credit limit is the co-operative year, *viz.*, 1st July to 30th June, as being convenient to co-operative institutions. The revised procedure has in practice been found generally acceptable to co-operative banks; it has enabled them not only to make much greater use of the financial facilities offered by the Reserve Bank but also, by reason of its elasticity, to frame their own borrowing and lending programmes more in conformity with the local needs and conditions of agricultural finance. Increasing stress is at the same time being laid on the need for individual banks to mobilise their local resources and increase their deposits, since on the efforts made to do so would in part depend the credit limits fixed by the Agricultural Credit Department. Meanwhile, as the following figures show the extent of the short-term co-operative credit drawn from the Reserve Bank has more than doubled itself in 1951-52 as compared with 1950-51.

					(Rupees in lakhs)	
					1950-51	1951-52
Sanctioned	...	...	...	...	762:00	1,280:00
Drawn	...	...	...	...	537:89	1,251:33

The concession rate of interest at which this accommodation was made available continued to be  $1\frac{1}{2}$  per cent. even after the Bank rate had been raised to 31 per cent.

**47. Standing Advisory Committee.**—Along with these steps of procedural reform calculated to make the accommodation from the Reserve Bank more liberal and more effective, the Informal Conference recommended that there should also be initiated two measures for bringing about closer co-ordination between the activities of co-operative institutions on the one hand and the policies and operations of the Bank on the other. First of all, there was to be periodical contact with, and inspection of, individual co-operative banks, particularly such of them as borrowed from the Reserve Bank, the inspections being on a voluntary

basis and carried out by suitable trained personnel of the Agricultural Credit Department of the Bank. Necessary arrangements are being made for this purpose, and the recruitment and training of personnel are in progress. Secondly by way of contact and co-ordination at the policy-making level, the informal Conference recommended the constitution of an expert 'Standing Advisory Committee' for advising the Reserve Bank 'on matters pertaining to its Agricultural Credit Department and on subjects allied to those matters.' A Committee of fourteen was accordingly formed and has hitherto met twice, once in August 1951 and a second time in April 1952. Besides reviewing the work of the Agricultural Credit Department and giving advice on various points raised, the Standing Advisory Committee has made determined efforts to evolve standards for different aspects of co-operative banking and administration such as maintenance of fluid resources by the banks, inspection and audit classification by the supervisory authorities and fixation of credit limits by the Reserve Bank. It has also dealt with the question of co-operative education and training of which more details are given in a subsequent paragraph.

**48. Suggested Enlargement of Bank's Functions.**—All the measures so far described in relation to co-operative finance have this in common, namely, that they fall within the existing frame-work of law and organisations. The next set of proposals made by the Informal Conference involved either the legislative enlargement of the Bank's functions or the reorganisation and development of the co-operative credit structure of different States. Reference has been made in the previous Report to certain projected amendments of the Act, which would enable the Reserve Bank:—

- (a) to include 'mixed farming', and the processing of crops by agricultural producers, among the purposes for which it can provide short-term finance.
- (b) to assist cottage industries by providing short-term finance for the production and marketing activities of industrial co-operatives, and
- (c) to dispense to co-operative banks, to a limited extent, medium-term agricultural credit for periods between 18 months and 5 years.

These recommendations are under the consideration of the Government of India.

As regards long-term credit, the Bank continues to purchase 20 per cent. of the debentures issued by land mortgage banks, provided the debentures are guaranteed as to principal and interest by the State Government concerned. The Bank also tenders advice to land mortgage banks with regard to the terms of issue of their debentures.

**49. Reorganisation of the Co-operative Credit Structure of Different States.**—Meanwhile, in the matter of reorganisation, much work has been done in conjunction with various State Governments. The problem, of course, is complex enough, even if confined to the effecting of such minimum reforms in organisation as will enable the Reserve Bank to extend financial accommodation to the co-operative societies of the States concerned. Thus, in some States, the lacuna may consist in there being no state co-operative bank at all; in other States, the apex bank may require considerable reorganisation, both financial and administrative, before it qualifies for assistance from the Reserve Bank; or again, the central or district banks may constitute the weak link in the chain; and finally, the primary credit structure may itself be in need of rehabilitation as indeed happens to be very generally the case. With a view, therefore, to studying the problems of individual States and initiating appropriate steps after such study, a basic programme has been adopted which may be said broadly to consist of three stages: first, a visit by an experienced officer of the Agricultural Credit Department, who tours the State, studies its co-operative organisation, and presents a factual report together with draft recommendations which he has previously discussed with officers of the Co-operative Department of the State; second, after the Bank and the State Government concerned have studied the report, a visit to the State by the heads of the appropriate departments of the Bank and the holding of high-level discussions with a view to agreeing upon the main lines of a plan to reorganise the co-operative structure of the State; and third, the follow-up of the agreed proposals by the Reserve Bank and the gradual implementation of the plan by the State Government. A series of visits on these lines has accordingly been made by the officers of the Bank. After the completion of the preliminary expert study as well as the subsequent high-level discussions,

a large measure of agreement has been reached between the Governments concerned and the Reserve Bank in respect of the lines of reorganisation in the following States:—

- (1) Ajmer
- (2) West Bengal
- (3) Bhopal
- (4) Himachal Pradesh
- (5) Hyderabad
- (6) Madhya Bharat
- (7) Mysore
- (8) PEPSU
- (9) Rajasthan
- (10) Saurashtra and
- (11) Travancore-Cochin.

The first stage, that is to say, the preparation of a preliminary report based on an investigation on the spot by an officer of the Bank has been completed for each of the following States:—

- (1) Assam
- (2) Bihar
- (3) Coorg
- (4) Mdhya Pradesh
- (5) Manipur
- (6) Orissa
- (7) Punjab
- (8) Tripura
- (9) Uttar Pradesh and
- (10) Vindhya Pradesh.

50. It is gratifying to note that, where agreed lines have been formulated active steps are being taken by some of the State Governments to implement the proposals. To cite some instances, a state co-operative bank has already been established in Saurashtra, while the reorganisation of the existing apex bank in the manner recommended by the Reserve Bank has in large part been carried out in West Bengal; in Bhopal and Himachal Pradesh steps are being considered for the conversion of certain existing banking institutions into apex co-operative banks for the States; decisions on various items in connection with the early establishment of new state co-operative banks in Madhya Bharat and Rajasthan have been taken by the Governments concerned; while, in Hyderabad and Mysore, the reorganisation of their present apex institutions, broadly on the lines recommended by the Reserve Bank, is receiving the attention of the State Governments.

**51. Co-operative Training.**—Meanwhile, a problem which is common to most States is the absence of adequate trained personnel to man the co-operative banks or other agricultural credit institutions which will need to be expanded or newly established. This problem was investigated at the instance of the Standing Advisory Committee and, as a result, steps have been taken to organise an All-India training centre for co-operative personnel at Poona in conjunction with the Poona Co-operative College which is run by the Bombay Provincial Co-operative Institute. The scheme is subsidised by the Reserve Bank and consists of two courses intended for two different types of personnel. There is a short-term course of six months for training the higher officers of the co-operative departments of State Governments and the executives of the apex banks and other important co-operative institutions. This course commenced in April 1952 for the first batch of trainees. The other is a long-term course of one year and is meant for training officials and non-officials a rung or two lower in the ladder. This course commenced in July 1952. Both courses include a period of intensive practical training; while, on the theoretical side, they cover subjects such as co-operative law, co-operative banking and co-operative administration. A number of States, some of which are as far away from Poona as Himachal Pradesh and Manipur, are taking advantage of the facilities thus offered. It is hoped, in time, provided the demand is not only sustained but expands, to enlarge the training centre

at Poona and if necessary establish one or more centres of a similar type in other parts of India.

**52. All-India Rural Credit Survey.**—While, as indicated above, the functions exercised by the Reserve Bank in regard to the provision of agricultural credit may, within the existing frame-work of the Bank, be made more effective in certain respects or the frame-work itself may be expanded in certain others, there remains the question of formulating a long-term plan in relation to both policy and organisation, and, in this context, the Informal Conference felt that a detailed investigation of facts on a country-wide basis was a necessary preliminary. The Conference accordingly recommended that an All-India Rural Credit Survey should be undertaken by the Bank. The recommendation was accepted and a small Committee of Direction was appointed by the Bank in August 1951 "to plan, organise and supervise the Survey, to interpret its results and to make recommendations." Mr A. D. Gorwala is the Chairman of this Committee, which includes Professor D. R. Gadgil, besides the Bank's Executive Director, its Economic Adviser and its Director of Statistics (who is also Secretary to the Committee). The enquiry was envisaged to be of a size which would adequately cover the different strata of the agricultural population in representative parts of the country with reference to their credit requirements and to the agencies, existing or needed, for fulfilling those requirements. Among the aspects to be dealt with were the pattern of savings and deficits in agricultural economy, the trends, if any, towards shifts in income, and the problem of capital formation in rural areas. The Survey, which is nearing completion, covers 75 districts, selected on a representative basis. For intensive enquiries on what may be termed the "demand" side of the Survey, 8 representative villages are selected in each district, and 15 agricultural families in each village. The "supply" side of the Survey covers the different credit agencies such as co-operative societies, moneylenders and indigenous bankers, commercial banks, etc. The field staff, to which special training has been given, is largely drawn from the co-operative and agricultural departments of States or from staff previously employed in other economic Surveys in rural areas. The Committee of Direction is assisted by a Technical Committee at several stages.

The work conducted in the different regions is co-ordinated by the Committee of Direction, which exercises its control either through Regional Controllers (mostly officers of the Reserve Bank) or through suitable agencies, Economic Bureaux of certain State Governments and, in one or two cases, non-official academic institutions which have been entrusted with the work in particular areas. Thus, in Assam, Orissa and the Punjab and in part of the Bombay State (Gujarat), the work has been undertaken by the State Governments. The University of Travancore is conducting the Survey in Travancore-Cochin, and the Gokhale Institute of Politics and Economics in the Bombay Karnatak as well as in the Marathi-speaking districts of both Bombay and Hyderabad. Elsewhere, the supervision is done by Regional Controllers.

It is expected that the field work will have been completed in most of the regions by the end of July 1952. The Committee's Report is likely to be available within a few months.

**53. Department of Banking Development: Other Activities.**—The State Financial Corporations Bill, 1951, referred to in the last Report, was passed by Parliament on September 28, 1951. The Act, which is in the nature of enabling legislation, provides for the establishment of financial corporations by State Governments, for the purpose of supplying the medium and long-term requirements of the medium-sized and small-scale industries, which are outside the scope of the Industrial Finance Corporation of India. With the enactment of the measure, the question of setting up corporations under the provisions of the Act has been engaging the attention of some of the State Governments. The Department of Banking Development is in close touch with these Governments and answers the several preliminary enquiries addressed to it in this connection.

An officer of the department was deputed, at the instance of the Government of India, to investigate the credit needs of the Indian-owned tea gardens, and his report was submitted to Government in August, 1951. Government have accepted the following conclusions reached by the Reserve Bank on the basis of this report:—

- (a) that the European section of the industry comprising about 80 per cent. of the total tea industry is not experiencing any special financial difficulties;

- (b) that 85 to 90 per cent. of the Indian-owned gardens also do not experience much difficulty in obtaining short-term finance from banks;
- (c) that not more than 10 per cent. of the total number of Indian gardens are reported to have experienced difficulties in raising finance but the reason is not so much lack of bank finance as that these gardens are too small to function as economic units and, therefore, banks do not consider it a good banking risk to make large advances to them.

The Reserve Bank's willingness to extend the rediscounting facilities available under Section 17 of the Reserve Bank of India Act to Scheduled and Co-operative Banks in respect of their loans to tea-gardens has been brought specifically to the notice of the Central Tea Board. The willingness of the Industrial Finance Corporation to afford long-term credit facilities to tea gardens which are public limited companies against securities of machinery and buildings has also been brought to the notice of the Tea Board. In order to facilitate a periodical review of the problem, arrangements have been made to secure half-yearly returns from Indian-owned tea gardens regarding their financial requirements. Banks engaged in tea finance have also been requested to furnish quarterly statements of their advances to the gardens in a prescribed form.

54. An event of special importance to bankers during the period was the holding of an International Credit Conference in Rome in October, 1951. The Conference, which was sponsored by the Italian Bankers' Association, was convened primarily to "provide an opportunity for comprehensive and free discussion among representatives of banking and financial activities and experts in technical, economic and juridical problems." The Reserve Bank was represented at the Conference by one of its Deputy Governors. The subjects chosen for discussion at the Conference were "Bank Liquidity—Control of Inflation" and "Finance of Foreign Trade." A paper on "Bank Liquidity and Control of Credit in India" was submitted to the Conference on behalf of the Reserve Bank.

#### ANNUAL ACCOUNTS AND OTHER MATTERS

55. **Annual Accounts.**—During the year under review, the Bank's income amounted to Rs. 11.11 crores and expenditure which includes the expenses of administration and provision for sundry liabilities and contingencies to Rs. 3.61 crores. The net profit available for payment to the Central Government in terms of Section 47 of the Reserve Bank of India Act was Rs. 7.50 crores as against Rs. 8.34 crores last year. For reasons which are explained in the earlier portions of the Report there was during the year a very heavy depreciation of both sterling and rupee securities held in the Bank's investment account. This decline was however, partially offset by increased receipts under "Discount" and "Exchange," as a result of a sharp rise in the discount rates on Sterling Treasury bills consequent on the raising of the Bank rate in the United Kingdom in November 1951 and again in March 1952, and larger sales of sterling to scheduled banks.

Expenditure showed a rise of Rs. 55.02 lakhs, of which Rs. 30.38 lakhs were accounted for by increase in expenditure under "Establishment." The main reasons for this increase were the institution by the Bank of an All-India Rural Credit Survey (estimated to cost about Rs. 10 lakhs), a further expansion in the activities of the Department of Banking Operations following the extension of the Banking Companies Act to Part B States and increased allowances to staff. As compared with the previous year, the cost of security printing also showed a rise of Rs. 13.27 lakhs owing to the increased supplies of Bank note forms by the Nasik Press during the year.

56. **Auditors.**—The Accounts of the Bank have been audited by Messrs. S. D. Billimoria & Co. of Bombay, Mr. P. K. Ghosh of Calcutta and Messrs. Sastri and Shah of Madras, who were appointed by the Government of India as auditors of the Bank by Notification No. 3(69)-F/51, dated September 4, 1951, issued in exercise of the powers conferred by Section 50 of the Reserve Bank of India Act (II of 1934).

57. **Compensation to Shareholders.**—Following the nationalisation of the Reserve Bank of India on January 1, 1949, the shares of the Bank were acquired\* by the Central Government. Out of a total of 5,00,000 shares (including 2,200 shares held by the Central Government) of the face value of Rs. 100 each, the total number of shares tendered for payment of compensation upto June 30, 1952 was 4,78,067, the number of shares tendered during the year being 6,671. The total

\* For details regarding compensation payable to shareholders, see Report for 1948-49.

compensation paid in 3 per cent. First Development Loan, 1970-75 amounted to Rs. 5.31 crores and in cash Rs. 34 lakhs.

**58. Composition of the Central Board.**—By a Notification No. F.3(15)-FI/51, dated July 9, 1951, the Central Government, in terms of Section 8(1)(a) and Section 8(4) of the Reserve Bank of India Act, appointed Mr. Ram Nath as Deputy Governor of the Bank for a period of five years, with effect from July 9, 1951.

As provided in Section 8(6) of the Reserve Bank of India Act, Sir Rustom P. Masani and Dewan Bahadur C. S. Ratnasabapathi Mudalliar, C.B.E., retired as Directors of the Central Board on January 14, 1952. The vacancies were filled by the nomination, by the Central Government, of Messrs. J. R. D. Tata and B. D. V. Ramasawmy Naidu, in pursuance of sub-section (1)(c) of Section 8. In terms of Section 12(4), the Central Government nominated, with effect from April 24, 1952, Professor D. R. Gadgil as a Director of the Central Board in the vacancy caused by the resignation of Mr. Ramrao Madhaorao Deshmukh, consequent on his election to the Council of States.

**59. Local Boards.**—Mr. S. B. P. Pattabhirama Rao ceased to be a member of the Southern Area Local Board, with effect from January 7, 1952, consequent on his election to the Madras State Assembly. Mr. P. Suryanarayana was nominated by the Central Board to fill the vacancy. Professor D. R. Gadgil resigned his membership of the Western Area Local Board, with effect from June 25, 1952 and arrangements are being made to fill the vacancy.

**60. Meetings of the Central Board and its Committee.**—Five meetings of the Central Board were held during the year, two in Bombay and one each in Calcutta, New Delhi and Madras. The Committee of the Central Board held fifty-one meetings, of which forty-eight were in Bombay and three in Calcutta.

**61. Bank's Offices.**—A Note Cancellation Section was opened at Tiruchirappally on October 3, 1951.

**62. Bank's Premises.**—Work on the construction of the new buildings for the Bank's offices in Delhi and Nagpur is expected to start shortly.

Construction of residential quarters for the clerical and subordinate staff at Bombay has already commenced, and the work is scheduled to be completed within two years. A plot of land has also been secured at Back Bay Reclamation, Bombay, on lease from the State Government, on which it is proposed to erect a new building for providing additional accommodation for officers. During the year, the Bank took possession of the remaining 120 quarters (8 for officers and 112 for subordinate staff), out of 440 residential quarters constructed for the staff of the Bank at Delhi under the Central Government's Housing Scheme, and allotted them to the staff.

By Order of the Central Board of Directors,  
B. RAMA RAU,  
Governor.

## APPENDIX

### Scheduled Banks

- |                                |   |
|--------------------------------|---|
| 1. Ajodhia Bank.               | 17. Bank of Mysore.                               |
| 2. Allahabad Bank.             | 18. Bank of Nagpur.                               |
| 3. American Express Co., Inc.  | 19. Bank of Poona.                                |
| 4. Andhra Bank.                | 20. Bank of Rajasthan.                            |
| 5. Australasia Bank.           | 21. Bareilly Corporation (Bank)                   |
| 6. Banco Nacional Ultramarino. | 22. Belgaum Bank.                                 |
| 7. Bank of Assam.              | 23. Benares State Bank.                           |
| 8. Bank of Baroda.             | 24. Bharatha Lakshmi Bank.                        |
| 9. Bank of Behar.              | 25. Calcutta National Bank.                       |
| 10. Bank of Bikaner.           | 26. Canara Bank.                                  |
| 11. Bank of China.             | 27. Canara Banking Corporation.                   |
| 12. Bank of Communications.    | 28. Canara Industrial and Banking Syndicate.      |
| 13. Bank of India.             | 29. Central Bank of India.                        |
| 14. Bank of Indore.            | 30. Chartered Bank of India, Australia and China. |
| 15. Bank of Jaipur.            |   |
| 16. Bank of Maharashtra.       |   |

31. Comptoir National D'Escompte de Paris.	64. National City Bank of New York.
32. Devkaran Nanjee Banking Co.	65. Nationale Handelsbank N.V.
33. Dinajpore Bank.	66. National Savings Bank
34. Eastern Bank.	67. Nedungadi Bank.
35. Gadodia Bank.	68. Netherlands Trading Society.
36. Grindlays Bank.	69. New Bank of India.
37. Habib Bank.	70. New Citizen Bank of India.
38. Hind Bank.	71. Oriental Bank of Commerce.
39. Hindustan Commercial Bank	72. Oudh Commercial Bank
40. Hindusthan Mercantile Bank.	73. Palal Central Bank.
41. Hongkong and Shanghai Banking Corporation.	74. Pandyan Bank.
42. Hyderabad State Bank.	75. Prabhat Bank.
43. Imperial Bank of India.	76. Pratap Bank.
44. Indian Bank.	77. Presidency Industrial Bank.
45. Indian Overseas Bank.	78. Punjab and Sind Bank.
46. Indo-Commercial Bank.	79. Punjab Co-operative Bank.
47. Indo-Mercantile Bank.	80. Punjab National Bank
48. Jodhpur Commercial Bank.	81. Sangli Bank.
49. Karnani Industrial Bank.	82. Southern Bank.
50. *Karur Vysya Bank.	83. South India Bank.
51. Kumbakonam Bank.	84. South Indian Bank.
52. Lakshmi Commercial Bank	85. Tanjore Permanent Bank.
53. Laxmi Bank.	86. Traders' Bank.
54. Lloyds Bank.	87. Travancore Bank.
55. Mahaluxmi Bank.	88. Travancore Forward Bank.
56. Metropolitan Bank.	89. Tripura Modern Bank.
57. Mercantile Bank of Hyderabad.	90. Union Bank of India.
58. Mercantile Bank of India.	91. United Bank of India.
59. Miraj State Bank.	92. United Commercial Bank.
60. Nadar Bank.	93. United Industrial Bank
61. Narang Bank of India.	94. *United Western Bank.
62. National Bank of India.	95. Universal Bank of India.
63. National Bank of Lahore.	96. Vysya Bank.

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\*Included in the Second Schedule during the year ended June 1952.

**Reserve Bank of India**  
**BALANCE SHEET AS AT 30TH JUNE 1952**  
**ISSUE DEPARTMENT**

Liabilities			Assets		
	Rs.	A. P.		Rs.	A. P.
Notes held in the Banking Dept.	34,39,96,802	8 0	A. Gold Coin and Bullion :—		
Notes in circulation	1129,48,46,109	8 0	(a) Held in India	40,01,70,843	9 5
Total notes issued			(b) Held outside India	Nil	
			Foreign Securities	583,15,11,573	2 7
			Total of A		623,16,82,416 12 0
			B. Rupee Coin		76,08,10,605 9 4
			Government of India Rupee Securities.		464,63,49,889 10 8
			Internal Bills of Exchange and other Commercial Paper.		Nil
Total Liabilities Rs.			Total Assets Rs.		1163,88,42,912 0 0

Ratio of Total of A to Liabilities : 53, 542 per cent.

# BANKING DEPARTMENT

Liabilities			Assets		
		Rs. A. P.			Rs. A. P.
Capital paid up .		5,00,00,000 0 0	Notes . . .		34,39,96,802 8 0
Reserve Fund .		5,00,00,000 0 0	Rupee Coin . . .		14,40,456 0 0
Deposits :—			Subsidiary Coin . .		2,06,227 7 9
(a) Government .			Bills Purchased and Dis-		
(1) Central Government.		117,24,53,875 13 6	counted :—		
(2) Other Governments.		3,19,04,479 10 11	(a) Internal . . .		1,52,34,000 0 0
(b) Banks . . .		56,66,58,911 3 4	(b) External . . .		Nil
(c) Others . . .		64,43,94,272 4 4	(c) Government Treasury Bills.		8,66,62,646 3 5
Bills Payable . .		3,31,22,641 11 8	Balances held abroad* .		98,23,66,624 3 10
Other Liabilities .		8,01,44,437 13 8	Loans and Advances to Governments.		1,58,00,000 0 0
			Other Loans and Advances.		28,28,15,401 15 4
			Investments . . .		86,93,54,621 0 0
			Other Assets . . .		3,08,01,839 3 1
Total Liabilities Rs.		262,86,78,618 9 5	Total Assets Rs. .		262,86,78,618 9 5

\* Includes Cash and Short-term Securities.

## Profit and Loss Account for the year ended 30th June 1952

Income	Rs.	A.	P.
Interest, Discount, Exchange, Commission, etc. . . . .	11,11,20,066	14	0
<b>EXPENDITURE.</b>	11,11,20,066	14	0
Establishment . . . . .	2,02,03,857	8	9
Directors' and Local Board Members' fees and expenses . . . . .	69,038	14	0
Auditors' fees . . . . .	22,500	0	0
Rent, Taxes, Insurance, Lighting, etc. . . . .	5,41,397	5	4
Law charges . . . . .	72,274	14	9
Postage and Telegraph charges . . . . .	1,62,841	15	3
Remittance of Treasure . . . . .	14,71,356	4	11
Stationery etc. . . . .	5,51,643	10	10
Security Printing—(Cheque, Note Forms, etc.) . . . . .	64,70,021	2	4
Depreciation and Repairs to Bank's property . . . . .	9,89,692	9	7
Agency Charges . . . . .	33,60,124	14	9
Contributions to staff and superannuation funds . . . . .	60,300	0	0
Miscellaneous expenses . . . . .	21,35,899	4	9
Not available balance . . . . .	7,50,00,118	4	9
	11,11,20,066	14	0
Surplus payable to the Central Government . . . . .	7,50,00,118	4	9
<b>Reserve Fund Account</b>			
By balance on 30th June 1952 . . . . .	5,00,00,000	0	0
By transfer from Profit and Loss Account . . . . .	<i>Nil</i>		
<b>TOTAL Rs.</b> . . . . .	5,00,00,000	0	0

## REPORT OF THE AUDITORS

## TO THE PRESIDENT OF INDIA

We, the undersigned Auditors of the Reserve Bank of India, do hereby report to the Central Government upon the Balance Sheet and Accounts of the Bank as at 30th June, 1952.

We have examined the above Balance Sheet with the Accounts, Certificates and Voucher relating thereto of the Central Office and of the Offices at Calcutta, Bombay and Madras and with the Returns submitted and certified by the Managers of the other Offices as

Branches, which Returns are incorporated in the above Balance Sheet, and report that where we have called for explanations and information from the Central Board such information and explanations have been given and have been satisfactory. In our opinion, the Balance Sheet, is a full and fair Balance Sheet containing the particulars prescribed by, and in which the assets have been valued in accordance with, the Reserve Bank of India Act, 1934, and the Regulations framed thereunder and is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us, and as shown by the Books of the Bank.

S. B. BILLIMORIA AND CO.,

P. K. GHOSH,

SASTRI AND SHAH,

*Auditors.*

J. N. AMUJA,

*Chief Accountant.*

B. RAMA RAU

*Governor.*

N. SUNDARESAN,

*Deputy Governor.*

[No. F.3(52)FI/52]

(K. G. AMBEGAOKAR), Secy.

*New Delhi, the 2nd September 1952*

**S.R.O. 1549.**—In exercise of the powers conferred by section 4 of the Rehabilitation Finance Administration Act, 1948 (XII of 1948), and in partial modification of the notification of the Government of India in the Ministry of Finance, No. F.10(25)-F.I/52, dated the 11th July, 1952, the Central Government hereby appoints Shri Nakul Sen, I.C.S., Joint Secretary to the Government of India in the Ministry of Rehabilitation, as a member of the Rehabilitation Finance Administration, *vice* Shri V. D. Dantyaagi.

[No. F.10(25)-F.I/52.]

*New Delhi, the 10th. September 1952*

**S.R.O. 1550.**—In exercise of the powers conferred by section 53 of the Banking Companies Act, 1949 (X of 1949), and on the recommendation of the Reserve Bank of India, the Central Government hereby declares that in the case of the under-mentioned banking companies, the provisions of sections 10(1)(c)(i) and (ii) and 16 of the said Act, and the provisions of section 10(1)(b)(i) of the said Act in so far as they relate to the employment of any person who is, or at any time has been, adjudicated insolvent, or has suspended payment or has compounded with his creditors, shall not apply until the 15th September, 1955,

1. New Bank of India Ltd.
2. Trader' Bank Ltd.
3. Lakshmi Commercial Bank Ltd.
4. Commercial Bank of India Ltd..

5. Prabhat Bank Ltd.
6. First National Bank Ltd.
7. Frontier Bank Ltd.
8. Chawla Bank Ltd.
9. National Bank of Sialkot Ltd.

[No. F.4(150)-F.I/52.]

S. K. SEN, Dy. Secy.

*New Delhi the, 3rd September 1952*

**S.R.O. 1551.**—In exercise of the powers conferred by the proviso to article 309 and clause (5) of article 148 of the Constitution, read with articles 313 and 372 thereof and paragraph 19 of the Adaptation of Laws Order, 1950, the President hereby directs that the following further amendments shall be made in the Fundamental Rules, namely:—

For sub-rule (2) of Rule 91 the following shall be substituted, namely:—

(2) Subject to the provisions of sub-rule (1) leave salary shall be drawn in rupees, but leave salary in respect of leave spent out of Asia may, at the option of the Government servant, be drawn in sterling:

Provided that—

- (a) in the case of leave on average pay not exceeding four months, or of the first four months of such leave if it exceeds four months, leave salary due in respect of an initial period of such leave spent in Asia may, if the Officer proceeds out of Asia during the currency of such leave, or within one month of its termination, be drawn in sterling.
- (b) in the case of leave of any other description, or of periods of leave on average pay after the first four months of such leave, if the amount of such leave spent in Asia prior to embarkation does not in all exceed one month, leave salary in respect of the whole of such leave may be drawn in sterling.
- (c) in the case of an attachment order having been issued by a court in India in accordance with Rule 48, Order XXI, First Schedule, Code of Civil Procedure, 1908 (Act V of 1908), that part of leave salary which is attached shall be remitted to the court in rupees by the accounts authority in India. The balance of leave salary, if payable in sterling may then be drawn after reducing the maximum and minimum rates of leave salary prescribed in Rules 89 and 90 by the amount specified in the attachment order, converted into sterling at the rate of exchange prescribed sub-rule (5) of this Rule.

NOTE.—For the purpose of this rule Cyprus shall be regarded as outside Asia.

[No. F.7(39)-Est. IV/52.]

H. F. B. PAIS, Dy. Secy.

## MINISTRY OF FINANCE (REVENUE DIVISION)

HEADQUARTERS ESTABLISHMENT

*New Delhi, the 4th September, 1952*

**S.R.O. 1552.**—In continuation of the Ministry of Finance (Revenue Division) Notification No. 41—Headquarters Establishment, dated the 22nd August 1952, the following Notification by the Income-tax Investigation Commission is published for general information.

### “NOTIFICATION

It is notified for general information that the Income-tax authority mentioned in column (1) of the table attached to this notice has been authorised with effect from the date mentioned in column (2) thereof by the Income-tax Investigation Commission, without prejudice to his regular duties, to be authorised official under section 6 of the Taxation on Income (Investigation Commission) Act, 1947

and that under the provisions of the said Act, any person (including a person whose case is not under investigation) who is required by the said authorised official in the course of the investigation:—

- (1) to produce accounts or documents;  
and/or (2) to give information in respect of such accounts or documents;  
and/or (3) to attend in person and answer questions on oath;  
and/or (4) to make or prepare statements in oath giving information on specified matters;

shall be bound to comply with his requirements notwithstanding anything in any law to the contrary. Failure to comply with the requirements of the said authorized official may amount to an offence under Chapter X of the Indian Penal Code.

Name and designation of the Authorised Official (1)	Date from which authorised (2)	Address of the headquarters office of the Authorised Official (3)
Mr. Kalwant Rai, Income-tax Officer, Kanpur.	18-8-1952	Income-tax Offices, Kanpur.

NEW DELHI,  
The 22nd August 1952.

H. S. RAMASWAMI,  
*Secy., Income-tax Investigation Commission*".  
[No. 45]

N. D. MEHROTRA, Dy. Secy.

#### ORDER

New Delhi, the 29th August 1952

**S.R.O. 1553.**—In exercise of the powers conferred by clause (a) of sub-section (1) of section 9 of the Indian Stamp Act, 1899 (II of 1899), the Central Government hereby remits retrospectively the stamp duty with which the debenture of Rs. 4,80,000 issued on the 1st March 1951, by the Municipal Committee, Nagpur, (now Corporation of the City of Nagpur) to the Bombay Mutual Life Assurance Society, Limited, Bombay, is chargeable under the said Act.

[No. 4-Stamps.]

K. NARASIMHAN, Under Secy.

### CENTRAL BOARD OF REVENUE

#### CENTRAL EXCISE

New Delhi, the 6th September 1952

**S.R.O. 1554.**—In pursuance of the proviso to clause (a) of sub-rule (1) of rule 32 of the Central Excise Rules, 1944, the Central Board of Revenue hereby directs that in its notification No. 24-Central Excise, dated the 23rd July 1949, for item (d), the following item shall be substituted, namely:—

“(d) Except with the prior sanction of the Central Board of Revenue, sale-notes shall not be used in respect of consignments

- (i) exceeding one and a half standard maunds of tobacco which has paid duty at a rate higher than six annas per lb;
- (ii) exceeding five standard maunds of tobacco which has paid duty at a rate equal to, or less than, six annas per lb.

[No. 20.]

A. K. MUKARJI, Secy.

# MINISTRY OF STATES

## ORDER

New Delhi, the 30th August, 1952

**S.R.O. 1555.**—In pursuance of the provisions of paragraph 5 of the Kutch (Council of Advisers) Order, 1952, the President is pleased to make the following Order, namely:—

**1. Short title and commencement—**

(1) This Order may be called the Advisers (Kutch) (Salaries and Allowances) Order, 1952.

(2) It shall be deemed to have come into force on the 27th day of July, 1952.

**2. Definition.**—In this Order, "Adviser" means the person appointed as Adviser for the State of Kutch.

**3. Salary and allowances of the Advisers.**—There shall be paid to each Adviser in respect of the time spent on actual service, salary at the rate of Rs. 500 p.m. and a sumptuary allowance at the rate of Rs. 150 p.m.

**4. Residence of Advisers.**—Each Adviser shall throughout the term of his office be entitled without payment of rent or hire to the use of a furnished house or a house-rent allowance of Rs. 75 per mensem in lieu thereof.

**5. Conveyance for Advisers—**

(1) Each Adviser shall be entitled to the free use of a car or a Jeep.

(2) There shall be paid to each Adviser a Conveyance allowance at the rate of Rs. 150 per mensem for the maintenance of the car or the Jeep.

**Explanation.**—The expression "maintenance" includes the cost of a driver expenditure on petrol, repairs and other incidental charges.

**6. Travelling allowance.**—Subject to the foregoing provisions, the conditions of service of an Adviser shall, in respect of travelling and daily allowances, and facilities for travel on duty, be determined by the rules for the time being applicable to a Grade I Officer of the Government of India:

Provided that each Adviser shall be entitled to draw daily allowance at the maximum rates applicable to a Grade I officer of the Government of India.

[No. 189-PA.]

V. VISWANATHAN, Joint Secy.

New Delhi, the 8th September, 1952.

**S.R.O. 1556.**—In exercise of the powers conferred by section 2 of the Part C States (Laws) Act, 1950 (XXX of 1950), the Central Government hereby extends to the State of Kutch the enactments specified in column 1 of the schedule hereto annexed, as at present in force in the State of Bombay subject to the modifications specified in column 2 thereof.

### THE SCHEDULE

Enactments 1	Modifications 2
1. The Bombay Live-stock Improvement Act, 1933 (Bom. Act No. XXII of 1933).	1. Throughout the Act for the words "Presidency of Bombay" the words "State of Kutch" shall be substituted. 2. For the words "State Government" wherever they occur, the words "Chief Commissioner" shall be substituted. 3. For clause (h) of section 2, the following clause shall be substituted, namely:— "(b) On a written application made by (i) the District Local Board, a Municipal Borough, or a Gram Panchayat

with the previous concurrence of the Collector, or (u) the Collector, the Chief Commissioner may, by notification in the official Gazette, direct that the remaining provisions of this Act shall extend to any village in respect of which the application has been made."

4. Sub-section (4) of section 23 shall be omitted.

2. The Bombay Animal Contagious Diseases (Control) Act, 1948 (Bom. Act No. LIX of 1948).

1. Throughout the Act for the words "Province of Bombay" the words "State of Kutch" shall be substituted.

2. Throughout the Act for the words "State Government" the words "Chief Commissioner" shall be substituted.

3. Throughout the Act for the word "Dominion" the word "Union" shall be substituted.

4. In section 32, the words "a Presidency Magistrate" shall be omitted.

#### ANNEXURES

The Bombay Live-stock Improvement Act, 1933 and the Bombay Animal Contagious Diseases (Control) Act, 1948 as modified by this notification.

#### BOMBAY ACT NO. XXII OF 1933

(THE BOMBAY LIVE-STOCK IMPROVEMENT ACT, 1933).

(1st December 1933).

Adapted and modified by the Adaptation of Indian Laws Order in Council.  
Adapted and modified by the Adaptation of Laws Order, 1950.  
Amended by Bom. 35 of 1950.

An Act to provide for the improvement of live-stock.

WHEREAS it is expedient to provide for the improvement of live-stock in the manner herein provided; And whereas the previous sanction of the Governor General required under sub-section (3) of section 80A and the previous sanction of the Governor required under section 80C of the Government of India Act (5 & 6 Geo. V.c.61.), have been obtained for the passing of this Act; It is hereby enacted as follows:—

**1. Short title.**—This Act may be called the Bombay Live-stock Improvement Act, 1933.

**2. Extent.**—(a) Section 1 and this section extend to the whole of the State of Kutch.

(b) On a written application made by (i) the District Local Board, a Municipal Borough, or Gram Panchayat with the previous concurrence of the Collector, or (ii) the Collector, the Chief Commissioner, by notification in the official Gazette, direct that the remaining provisions of this Act shall extend to any village in respect of which the application has been made.

(c) Section 1 and this section shall come into force at once and the remaining provisions of this Act shall come into force in any village to which the said provisions shall have been extended under sub-section (b) on such date as the Chief Commissioner may by notification in the official Gazette appoint.

**3. Definitions.**—In this Act, unless there is anything repugnant in the subject or context,—

(1) "Cow" includes a heifer;

(2) "Licence" means a licence granted under section 6,

- (3) "Live-stock officer" means an officer or person appointed or invested with powers under section 4;
- (4) "Prescribed", with its grammatical variations, means prescribed by rules;
- (5) "Rules" means rules made under section 23;
- (6) "Village" means a village as defined in the Bombay Land Revenue Code, 1879 (Bom. V of 1879); and
- (7) "A person is said to keep a bull," if such person owns the bull or has the bull in his possession or custody.

**4. Live-stock officer.**—The Chief Commissioner may, by notification in the Official Gazette appoint any officer to be a live-stock officer and assign to such officer such powers and duties under this Act, as he may deem fit.

**5. Prohibition for keeping a bull for breeding purposes.**—No person shall keep a bull which has attained the prescribed age except under and in accordance with the terms, conditions and restrictions of a licence granted under section 6.

**6. Grant of licence.**—Every licence for the keeping of a bull shall be granted by a live-stock officer authorised by the Chief Commissioner by general or special order in this behalf in such form, for such period, and subject to such terms, conditions and restrictions as may be prescribed:

Provided that no fee shall be charged for the grant of a licence.

**7. Refusal to grant or revocation of licence.**—(1) Subject to rules, the live-stock officer authorised to grant the licence may refuse to grant or may revoke a licence, if in the opinion of such authority, the bull appears to be—

- (a) of defective or inferior conformation and likely to beget defective or inferior progeny; or
- (b) permanently affected with any contagious or infectious disease; or
- (c) permanently affected with any other disease rendering the bull, unsuitable for breeding purposes.

(2) The live-stock officer granting a licence may also revoke a licence if in the opinion of such officer there be any breach of any of the terms or conditions of the licence.

(3) No person shall be entitled to any compensation for the revocation of a licence under sub-section (1) or (2).

(4) If a licence is revoked under sub-section (1) or (2), the live-stock officer revoking the licence shall give notice to that effect to the owner or the person stated therein to be the owner of the bull and any such notice given in respect of a licence shall state the grounds for the revocation.

**8. Grant of duplicate licence.**—When the live-stock officer granting the licence is satisfied that a licence granted under section 6 has been lost or destroyed, such officer may, subject to such conditions as may be prescribed, issue to the holder of the licence a duplicate thereof, and thereupon all the provisions of this Act with respect to the licence shall apply to the duplicate as if it were the original licence.

**9. Duration of licence.**—A licence granted in respect of a bull shall remain in force until—

- (a) the period specified therein expires, or
- (b) it is revoked under this Act, or
- (c) the bull dies or is castrated in the prescribed manner.

**10. Inspection of bulls.**—Any person who keeps a bull shall at any reasonable time, either at the place where the bull is for the time being or at any other reasonable place, submit the bull for inspection by any live-stock officer when required by such officer to do so and render all reasonable assistance to that officer for the purpose of inspection.

**11. Power to order castration of bulls.**—(1) A live stock officer may, by notice served in the prescribed manner, require that any bull which has attained the prescribed age at the date when the notice is served and in respect of which no licence is for the time being in force under this Act, shall be castrated in a prescribed manner within one month after the notice takes effect. Such castration shall, if the owner or other person who keeps the bull requires, be performed or caused to be performed by the live-stock officer free of charge.

(2) For the purposes of this section, a notice shall be served on the owner of the bull or on any other person who keeps the bull.

**12. Duty to produce licence.**—It shall be the duty of any person who for the time being keeps a bull, if a licence is in force in respect of the bull, to produce the licence—

(a) within a reasonable time on demand made by a live-stock officer or any other officer authorized by general or special order by the Chief Commissioner in this behalf in any place where the bull is for the time being,

(b) before a cow is served by a bull on demand made by the person in charge of the cow.

**13. Penalty for keeping a bull in contravention of this Act or rules or without or in contravention of licence.**—Whoever in contravention of this Act or any rule or order made under this Act or of any terms, conditions or restrictions of licence keeps a bull shall, on conviction, be punishable with fine which may extend to Rs. 25.

**14. Penalty for neglect or failure to comply with notice under section 7 or 11.**—Whoever neglects or fails to comply with a notice served in accordance with section 7 or 11 shall, on conviction, be punishable with fine which may extend to Rs. 25.

**15. Penalty for neglect or failure to comply with requisition under section 10 or 12.**—Whoever neglects or fails to submit a bull for inspection when required by a live-stock officer for inspection under section 10 or whoever fails to produce a licence when required to do so in accordance with the provisions of section 12 shall, on conviction, be punishable with fine which may extend to Rs. 25.

**16. Power of live-stock officer to castrate.**—(1) Whenever an offence under section 15 has been committed, or whenever any bull has not been castrated in compliance with the notice served under section 11, it shall be competent to a live-stock officer to castrate or cause to be castrated in the prescribed manner, the bull in respect of which such offence was committed or such notice was served, as the case may be. Such castration shall be performed or caused to be performed by a live-stock officer free of charge.

(2) It shall also be competent to a live-stock officer to seize any bull, if the person in whose ownership, possession or custody it is, for the time being, is not known or cannot be ascertained after an inquiry in the prescribed manner. On such seizure the live-stock officer may, if he is of opinion that such bull has attained the prescribed age or is suffering from any of the defects or disease specified in section 7, direct that the said bull shall be—

(a) castrated in the prescribed manner, and

(b) sold by public auction or sent to a pinjrapol: provided that if the owner of the said bull appears within fifteen days of such seizure and proves to the satisfaction of the live-stock officer that the said bull is of his ownership,—  
the said bull—

(i) if not sold by public auction, or

(ii) if sent to a pinjrapol,

shall be delivered to such owner on payment of the costs, charges and expenses incurred for the maintenance of the said bull and determined in the prescribed manner, or

(iii) if sold by public auction, the proceeds of such sale shall be paid to such owner after deducting therefrom the costs, charges, and expenses incurred for the maintenance and sale of the said bull and determined in the prescribed manner.

**17. Power of live-stock officer to inspect or mark a bull or to enter premises.**—For the purposes of this Act, a live-stock officer shall have power at all reasonable times—

(a) to inspect any bull,

(b) to mark any bull with any prescribed mark in the prescribed manner,

(c) to enter any premises or other place in the prescribed manner where he has reason to believe that a bull is kept.

**18. Officers bound to assist live-stock officers.**—All village officers, all village servants useful to the Chief Commissioner and all officers of the departments of revenue, agriculture, animal husbandry and veterinary science or of such other department as the Chief Commissioner may direct shall be bound—

- (a) to give immediate information to a live-stock officer of the commission of any offence or the intention or preparation to commit any offence punishable under this Act which may come to their knowledge;
- (b) to take all reasonable measures in their power to prevent the commission of any such offence which they know or have reason to believe is about to be committed, and
- (c) to assist any live-stock officer in carrying out the provisions of this Act.

**19. Cognizance of offences under the Act.**—No Court shall take cognizance of any offence under this Act, except on a complaint made by a live-stock officer or any person authorised by such officer in that behalf.

**20. Live-Stock Officer to be public servant.**—Every live-stock officer shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code (XLV of 1860)

**21. Protection of persons acting in good faith and limitation of suits and prosecutions.**—(1) No suit, prosecution or other legal proceedings shall be instituted against any person for anything which is in good faith done or intended to be done under this Act or the rules.

(2) No suit shall be instituted against Government and no prosecution or suit shall lie against any live-stock officer in respect of anything done or alleged to have been done in pursuance of this Act unless the suit or prosecution has been instituted within four months from the date of the act complained of

**22. Revision.**—The Chief Commissioner may call for and examine the record of any order or the proceedings of any live-stock officer for the purpose of satisfying themselves as to the legality and propriety of any order passed and as to the regularity of the proceedings of such officer. If in any case it shall appear to the Chief Commissioner that any order or proceedings so called for should be modified, annulled or reversed, he may pass such order as he may deem fit

**23. Power of Chief Commissioner to make rules.**—(1) The Chief Commissioner may make rules for the purpose of carrying into effect the provisions of this Act:

(2) In particular and without prejudice to the generality of the foregoing provision, such rules may be made for all or any of the following purposes, namely:—

- (a) under section 4, prescribing the powers and duties to be exercised and performed by a live-stock officer and the assignment of such powers or duties,
- (b) under section 5, prescribing the age of a bull after which it shall not be kept without a licence,
- (c) under section 6 prescribing the form of the manner in which the terms, conditions and restrictions on which a licence shall be granted transferred or renewed
- (d) under section 7 prescribing the conditions subject to which a licence may be revoked,
- (e) under sections 7, and 11 prescribing the manner in which notice shall be served,
- (f) under section 8 prescribing the conditions subject to which a duplicate of a licence may be granted
- (g) under sections 11 and 16, prescribing the manner in which a bull shall be castrated and the manner in which inquiry regarding the ownership of a bull shall be made and the costs charges and expenses for the maintenance and sale of a bull shall be determined
- (h) under section 17 prescribing the manner and form in which a bull shall be marked and the manner in which a live-stock officer shall enter any premises or other place

(3) Rules made under this section shall be subject to the condition of previous publication in the Official Gazette.

**24. Powers Chief Commissioner to apply the provisions of this Act to buffalo-bulls.**—The Chief Commissioner may, by notification in the Official Gazette, direct that all or any of the provisions of this Act which shall have been extended to any village under section 2 shall apply to buffalo-bulls in such village from the date specified in such notification and thereupon the references to bulls and cows in the provisions of this Act so applied shall be construed as references to buffalo-bulls and buffalo-cows respectively and this Act shall apply accordingly.

**24A. Validation of Acts of Director of Animal Husbandry and Veterinary Science.**—Notwithstanding anything contained in this Act, all things done by or on behalf of the Director of Animal Husbandry and Veterinary Science purporting to act in exercise of the powers conferred on the Director of Agriculture under this Act before the date on which the Bombay Live-stock Improvement (Amendment) Act, 1950, (Bombay XXXV of 1950), came into force, shall be deemed to be and always to have been validly done as required by or under this Act and shall not be deemed to be invalid or called in question merely on the ground that such thing was done by or on behalf of the said Director of Animal Husbandry and Veterinary Science before the said date.

**25. Savings.**—Nothing in this Act shall apply to a bull dedicated in good faith to a religious purpose according to religious custom and usage.

### BOMBAY ACT NO. LIX OF 1948

[THE BOMBAY ANIMAL CONTAGIOUS DISEASES (CONTROL) ACT, 1948]

(30th November 1948)

An Act to provide for the prevention and control of contagious diseases affecting animals.

WHEREAS it is expedient to provide for the prevention and control of contagious diseases affecting animals; It is hereby enacted as follows:—

### PART I

#### PRELIMINARY

**1. Short title.**—This Act may be called the Bombay Animal Contagious Diseases (Control) Act, 1948.

**2. Extent and commencement.**—(1) This Act extends to the whole of the State of Kutch.

(2) This section shall come into force at once. The Chief Commissioner may, from time to time, by notification in the Official Gazette, direct that all or any of the remaining provisions of this Act shall come into force in such area in respect of such scheduled disease and on such date as may be specified in the notification and may by similar notification direct that such provisions shall cease to be in force in any area from such date as may be specified therein.

**3. Definition.**—In this Act, unless there is anything repugnant in the subject or context,

- (a) "animal" means any domesticated animal or bird, or any animal or bird kept in confinement;
- (b) "export" means to take out of the State otherwise than across a customs frontier as defined by the Union Government;
- (c) "import" means to bring into the State otherwise than across a customs frontier as defined by the Union Government;
- (d) "infective animal" means an animal which is affected with a scheduled disease or has recently been in contact with or in close proximity to an animal so affected;
- (e) "Inspector" means an Inspector appointed under section 4;
- (f) "prescribed" means prescribed by rules made under section 36;
- (g) "rules" means rules made under section 36;
- (h) "scheduled disease" means any disease specified in the Schedule to this Act;
- (i) "transport" means to remove to one place from another place within the State;
- (j) "Veterinary Surgeon" means a Veterinary Surgeon appointed under section 4;

**4. Appointment of Veterinary Surgeons and Inspectors.**—(1) The Chief Commissioner may, by notification in the Official Gazette, appoint a person to be a Veterinary Surgeon for the purposes of this Act for such local area as may be specified in the notification and may specify the area within which he shall exercise the powers and perform the duties of a Veterinary Surgeon under this Act.

(2) The Chief Commissioner may, by a similar notification in the Official Gazette, appoint a person to be an Inspector for all or any of the purposes of this Act and specify the area within which he shall exercise the powers and perform the duties of an Inspector under this Act.

(3) A Veterinary Surgeon shall, within the area for which he is appointed, exercise all the powers which an Inspector may exercise under this Act and may exercise such powers in addition to his powers as Veterinary Surgeon.

**5. Veterinary Surgeons and Inspectors to be public servants.**—Every Veterinary Surgeon and every Inspector appointed under this Act shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code (XLV of 1860).

## PART II

### PREVENTION AND CONTROL OF SCHEDULED DISEASES

**6. Power to prohibit or regulate import, export or transport of, holding of markets, fairs, etc., of, and traffic in, infective animals, etc.**—(1) The Chief Commissioner may, for the purpose of preventing the outbreak or spread of any scheduled disease by notification of the Official Gazette, prohibit, control or regulate in such manner and to such extent as it may think fit—

(a) the import, export or transport of any animals, or the carcasses thereof, or of any part of animals or carcasses thereof or of any fodder, bedding or other thing used in connection with animals, which may, in the opinion of the Chief Commissioner, carry infection, or

(b) the holding of animal markets, animal fairs, animal exhibitions or other concentration of animals in any specified area, or

(c) the sale or other dealings in, infective animals or the carcasses of animals, which at the time of their death were infective, or any fodder, bedding or other thing used in connection with such animals which may, in the opinion of the Chief Commissioner carry infection.

(2) The Chief Commissioner may, by notification in the Official Gazette, specify the season or seasons during which and the route or routes by which animals may be imported into the State and no person shall import animals into the State otherwise than during the season and by the route so appointed.

**7. Establishment of quarantine stations.**—(1) The Chief Commissioner may establish quarantine stations for the inspection and detention animals along with route appointed under sub-section (2) of section 6.

(2) All animals inspected or detained at a quarantine station shall be liable—

(a) to be vaccinated against any scheduled disease if in the opinion of the officer in charge of such station it is necessary to do so; and

(b) to be marked in the prescribed manner.

(3) The period of detention of animals at a quarantine station for the purpose of inspection, vaccination and marking shall be such as may be prescribed.

(4) The animals detained at a quarantine station shall remain under the care of the person in charge who shall be responsible for their feeding and upkeep and for the payment of such fee for their vaccination and marking as may be prescribed.

(5) The officer in charge of the quarantine station shall, at the time of release of an animal from the station, grant in such form as may be prescribed a permit to the person in charge of the animal and such person shall, while in charge of the animal, produce it whenever required to do so by an Inspector or a Police Officer.

**8. Power to isolate infective animals and their examination.**—(1) Where an Inspector has reason to believe that any animal is infective he may by order in writing, direct the owner or person in charge of such animal to keep it where it is

for the time being or to remove it or allow it to be removed to such place of isolation or segregation as may be specified in the order:

Provided that where there is no person in charge of the animal and the owner is unknown, or where the order cannot be communicated to the owner of the animal without undue delay or where the person in charge of the animal refuses to comply with the order under this sub-section, the Inspector may seize the animal and remove it to a place of isolation or segregation.

(2) The Inspector shall forthwith report to the Veterinary Surgeon every order or seizure under sub-section (1).

**9. Power of Veterinary Surgeons to examine animals.**—(1) On receipt of a report under sub-section (2) of section 8 the Veterinary Surgeon shall, as soon as practicable, examine the animal and all animals with which it has been in contact or to which it has been in close proximity, and for this purpose may submit any animal to any prescribed test.

(2) If after such examination the Veterinary Surgeon—

(a) is of opinion that any animal is not infective the Inspector shall forthwith return it to the person who, in his opinion, is entitled to its possession:

Provided that where such person cannot, in the opinion of the Inspector, be found after reasonable inquiry, he shall send the animal to the nearest cattle pound or deal with it in such other manner as may be prescribed,

(b) certifies in writing that any animal is affected with a scheduled disease, the Inspector shall destroy the animal, or deal with it in such other manner as may be prescribed, or

(c) certifies in writing that any animal is infective, though not diseased the animal shall be dealt with in such manner as may be prescribed.

(3) The decision of the Veterinary Surgeon whether any animal has been in contact with or in close proximity to an animal suspected to be affected with a scheduled disease shall be final.

**10. Compensation for animals destroyed.**—(1) The owner of an animal destroyed under sub-section (2) of section 9 may be paid such compensation as shall be determined in the manner prescribed:

Provided that no compensation shall be paid—

(i) to any person convicted of an offence punishable under this Act committed in respect of such animals; or

(ii) in respect of any animal which, when it was imported, was affected with a scheduled disease on account of which it was destroyed.

(2) The decision under sub-section (1) regarding the right of a person to be paid any compensation or the amount of such compensation shall be final.

**11. Declaration of private infected places and examination of such places by Veterinary Surgeon.**—(1) If an Inspector has reason to believe that an infective animal is kept on any land, or in any building or other place he shall, forthwith, by order in writing, declare such land, building or place to be an infected place. The Inspector shall deliver a copy of the order to the owner, occupier or person in charge of the infected place and report his action to the Veterinary Surgeon.

Nothing in this sub-section shall apply to any place which is owned by or is under the control or management of, any local authority or a railway administration and in which animals are kept temporarily for purposes of sale or exhibition or while in transit.

(2) On receipt of a report under sub-section (1), the Veterinary Surgeon shall, as soon as practicable examine the infected place and the animals kept therein. After such examination, he shall either confirm or cancel the order passed by the Inspector.

(3) If the Veterinary Surgeon confirms the order passed by the Inspector, he may declare all places in which animals are kept, temporarily or otherwise, within a radius not exceeding one mile from the infected place, to be infected places. The Veterinary Surgeon shall give a written notice of such declaration to the owners, occupiers or persons in charge of such places. The Veterinary Surgeon shall thereafter report the action taken by him under this section to the prescribed authority.

(4) If the Veterinary Surgeon cancels the order passed by the Inspector, the place specified in such order shall cease to be an infected place and the Inspector shall give notice accordingly to the owner, occupier or person in charge of such place.

**12. Declaration of public infected places.**—(1) Where the Veterinary Surgeon has reason to believe that an infective animal is or has been kept in any place which is owned by or is under the control or management or any local authority or railway administration or a port authority and in which animals are kept temporarily for purposes of sale, or exhibition or while in transit, he may, by order in writing, declare such place to be an infected place.

(2) The Veterinary Surgeon shall—

(a) cause a copy of the order passed by him under sub-section (1) to be exhibited prominently in the infected place in the regional language of the locality;

(b) cause a copy of such order to be delivered at the office of the local authority or to the station master of the nearest railway station or to the Officer in charge of the port or in charge of a shipping office at such port, as the case may be;

(c) cause a copy of the order to be sent to the nearest police station; and

(d) forthwith report the action taken by him to the prescribed authority.

**13. Power of Chief Commissioner to declare infected areas.**—(1) On receipt of the report of the Veterinary Surgeon under sub-section (5) of section 11 or sub-section (2) of section 12, the prescribed authority shall, after making such further inquiry as it thinks fit, submit such report with his remarks thereon, to the Chief Commissioner.

(2) The Chief Commissioner on receipt of the report from the prescribed authority may—

(a) confirm the declaration under sub-section (1) or (3) of section 11 or sub-section (1) of section 12 either with or without modification; or

(b) cancel any such declaration.

(3) Where the Chief Commissioner confirms any such declaration, either with or without modification, a notification shall be published in the Official Gazette, defining the limits of the area to which the declaration with the modifications, if any, made therein, shall apply and declaring such area to be an infected area.

(4) The Chief Commissioner may by notification in the Official Gazette add to, amend, vary or rescind any notification published under sub-section (3) either on its own motion or on a further report of the Veterinary Surgeon submitted to him through the prescribed authority.

(5) On publication of a notification under sub-section (3) or (4), any place declared by the Inspector or the Veterinary Surgeon to be an infected place and not included in the infected area as defined in such notification shall cease to be an infected place and the Inspector shall give notice accordingly to the owner, occupier or person in charge of such place.

(6) The Inspector shall cause to be exhibited in some prominent place in the infected area and in the regional language thereof a copy of the notification issued under sub-section (3) or (4).

(7) Where the Chief Commissioner cancels any declaration referred to in sub-section (2), any place specified in such declaration shall cease to be an infected place and the Inspector shall give notice accordingly to all persons to whom copies of such declaration were delivered or on whom notices of such declaration were served.

**14. Removal of animals and other things from infected area or place prohibited without licence.**—Where any place or area has been declared to be an infected area or place under the foregoing provisions, no person shall, while such a declaration remains in force, remove any infected animal, alive or dead, or any part of an animal or any food, bedding or other thing used in connection with an animal, save in accordance with the conditions of a licence granted by the Inspector.

**(2) Nothing contained in sub-section (1) shall apply to the carriage by railway of any animal or thing referred to in that sub-section through an infected area or place:**

Provided that where any such animal or thing while in transit through an infected area or place is unloaded therein, it shall not be removed therefrom save in accordance with the provisions of sub-section (1).

**13. Power to require animals, etc., to be brought to infected areas.**—Where any animal or thing referred to in section 14 is removed from an infected area or place otherwise than in accordance with the conditions of a licence granted under the said section 14, any Inspector or Police Officer may require the owner or person in charge of such animal or thing to take it back to such area or place:

Provided that nothing in this section shall affect the powers of an Inspector under section 8 to deal with infective animals.

**16. Cleansing and disinfection of vessels and vehicles.**—(1) Every vessel or vehicle used by a common carrier for the transport of animals shall be cleansed and disinfected by him at such periods and in such manner as may be prescribed.

(2) The person in charge of every such vessel or vehicle shall, when required to do so by an Inspector, cause the vessel or vehicle to be taken to such place as the Inspector may direct and to stop and remain stationary for so long as may reasonably be necessary for the purpose of enabling the Inspector to inspect such vessel or vehicle. The Inspector may, after such inspection, if in his opinion the vessel or vehicle is not in a sanitary condition, require it to be cleansed and disinfected in the prescribed manner.

(3) Nothing in this section shall apply to the rolling stock of any railway.

**17. Power to require disinfection of infected premises, vessels or vehicles.**—Subject to such rules as may be prescribed, the Veterinary Surgeon, by order in writing, require the owner, occupier or person in charge of any land, building, or other place or of any vessel or vehicle in which an infected animal has been kept to have such land, building, place, vessel or vehicle disinfected, and the internal fittings thereof and other things found therein or near thereto to be disinfected or destroyed in such manner and to such extent as may be specified in the order.

**18. Power of Veterinary Surgeon to hold post-mortem.**—Subject to such rules as may be prescribed the Veterinary Surgeon may make or cause to be made a post-mortem examination of any animal which at the time of its death was infective or is suspected to have been infective, and for this purpose he may cause the carcass of such animal to be exhumed.

**19. Duty of certain persons to report scheduled disease.**—Every owner or person in charge of, and every Veterinary practitioner who has been called to treat an animal which he has reason to believe to be affected with a scheduled disease shall forthwith report the fact to the Inspector having jurisdiction in the area.

**20. Keeping or grazing infective animal prohibited.**—No person shall keep or graze in open or unclosed land to which other persons have a right of access for their animals, any animal which he knows to be infective.

**21. Bringing of infective animals in markets, etc., prohibited.**—No person shall bring or attempt to bring into any market, fair, exhibition or other concentration of animals, any animal which he knows to be infective.

**22. Placing of carcass of infective animals in river, etc., prohibited.**—No person shall place or cause or permit to be placed in any river, lake, canal or other water or in the sea within such distance from the shore, as may be prescribed, the carcass or any part of the carcass of any animal which at the time of its death was infective or which was destroyed on account of its being infective or suspected to be infective.

**23. Disinterring without lawful authority carcass of animal prohibited.**—No person shall without lawful authority disinter or cause to be disinterred the carcass or any part of the carcass of any animal, which, at the time of its death was infective or which was destroyed on account of its being infective or suspected to be infective.

**24. Powers of entry and inspection.**—Subject to such rules as may be prescribed, an Inspector may enter upon and inspect any land, building or other place or any

vessel or vehicle for the purpose of exercising the powers and performing the duties conferred or imposed on him by or under this Act.

**25. Enforcement of orders and recovery of expenses.**—(1) Where by any notice, requisition, or order made under this Act or under any rule or notification issued thereunder, any person is required to take any measures or to do anything in respect of any property owned or occupied by him or in his charge, a reasonable time shall be specified in such notice, requisition or order within which such measures shall be taken or such things shall be done, as the case may be.

(2) If such measures are not taken or such thing is not done within the time so specified, the authority issuing the notice, requisition or order may cause the measures to be taken or the thing to be done at the cost of the person concerned.

(3) The cost of any measures taken or thing done under sub-section (2) shall be recoverable from the person concerned in the manner provided by the Code of Criminal Procedure, 1898 (V of 1898), for the recovery of fines imposed by a Court as if such costs were a fine imposed by a Court.

**26. Power of Inspector to decide whether or not animal is infective.**—If any question arises under this Act whether or not an animal is an infective animal, the question shall be decided by the Veterinary Surgeon and his decision shall be final.

**27. Penalties.**—Whoever—

- (i) fails to carry out any direction specified in, or contravenes the terms of, any notification issued under section 6 or imports any animal in contravention of the provisions of sub-section (2) thereof, or
- (ii) fails to feed or look after the upkeep of the animal under sub-section (4) of section 7 or fails to produce the permit under sub-section (5) thereof, or
- (iii) fails to comply with an order made by an Inspector under sub-section (1) of section 8, or
- (iv) removes any animal or thing from an infected area or place in contravention of the provisions of section 14, or
- (v) fails to comply with any direction given by an Inspector or a Police Officer under section 15, or
- (vi) fails to cleanse or disinfect any vessel, or vehicle used for removing animals in the manner prescribed as required under sub-section (1), or fails to cause any vessel or vehicle to stop and remain stationary when required to do so under sub-section (2), of section 16, or
- (vii) fails to comply with an order made by a Veterinary Surgeon under section 17, or
- (viii) fails to report that an animal is infective as required by section 19, or
- (ix) keeps or grazes any animal which he knows to be infective in contravention of the provisions of section 20, or
- (x) brings or attempts to bring any animal which he knows to be infective in contravention of the provisions of section 21, or
- (xi) disinters or causes to be disinterred the carcass or any part of the carcass of any animal which at the time of its death was infective or was destroyed on account of its being infective or suspected to be infective in contravention of the provisions of section 23,

shall, on conviction, be punished with fine which may extend in the case of a first conviction to one hundred rupees, and in the case of a second or subsequent conviction whether under the same or any other clause of this section to five hundred rupees.

**28. Penalty for placing carcass of infective animal in river etc.**—Whoever places or causes or permits to be placed in any river, lake, canal or other water or in the sea within such distance from the shore, as may be prescribed the carcass or any part of the carcass of any animal which at the time of its death was infected or which was destroyed on account of its being infective or suspected to be infective, in contravention of the provisions of section 22 shall, on conviction, be punished, in the case of a first conviction with imprisonment for a term which may extend to six months or with fine which may extend to one hundred rupees or with both, and in the case of a subsequent conviction with imprisonment for a term which may extend to six months or with fine which may extend to five hundred rupees or with both.

**29. Penalty for vexatious entry, inspection and seizure.**—(1) Whoever, being an Inspector or a Veterinary Surgeon, appointed under this Act, vexatiously and unnecessarily enters or inspects any land building or other place or any vessel or vehicle or seizes or detains any animal shall, on conviction, be punished with imprisonment for a term which may extend to six months or with fine which may extend to five hundred rupees or with both.

(2) No prosecution under this section shall be instituted after the expiry of three months from the date on which the offence has been committed.

**30. Officers bound to assist Inspectors and Veterinary Surgeons.**—All village officers and all officers of the departments of revenue, agriculture and veterinary shall be bound.---

(a) to give immediate information to the Veterinary Surgeon and Inspector having jurisdiction in the area regarding the prevalence of a scheduled disease among animals in the area,

(b) to take all necessary measures to prevent the spread of disease, and

(c) to assist the Veterinary Surgeon and Inspector to carry out the provisions of this Act.

**31. Institution of proceedings.**—No Magistrate shall take cognizance of any offence punishable under this Act except upon the complaint of a Veterinary Surgeon.

**32. Jurisdiction of Magistrate.**—No Magistrate, other than a Magistrate of the First Class or a Magistrate of the Second Class specially empowered in this behalf by the Chief Commissioner shall try any offence punishable under this Act.

**33. Bar of claim to compensation.**—No person shall except as provided for in section 10 be entitled to any compensation on account of the destruction of any animal or thing under provisions of this Act or of any loss, injury or inconvenience caused to him by reason of anything lawfully done under this Act.

**34. Officers to act subject to orders of Government.**—All officers shall exercise the powers and perform the duties conferred and imposed on them by or under this Act in accordance with such orders, not inconsistent with the provisions of this Act, as the Chief Commissioner may from time to time make.

**35. Protection for action taken under this Act.**—No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act or the rules made under this Act.

**36. Rules.**—(1) The Chief Commissioner may make rules for the purpose of carrying into effect the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing provision, such rules may be made for all or any of the following matters, namely:—

(i) the manner of marking animals under sub-section (2), the period of detention under sub-section (3), the amount of fee for the vaccination and marking of animals under sub-section (4), and the form of permit under sub-section (5) of section 7;

(ii) the test to which an animal may be submitted under sub-section (1), and the manner in which an animal may be dealt with under sub-section (2), of section 9;

(iii) the manner in which compensation shall be determined under section 10;

(iv) the authority to be prescribed for the purposes of sections 11, 12 and 13;

(v) the periods at which and the manner in which the vessels and vehicles shall be cleansed and disinfected under section 16;

(vi) for disinfecting land, building or other place or vessel or vehicle under section 17;

(vii) the making of post-mortem examinations under section 18;

(viii) the distance from the shore within which carcasses shall not be placed under section 22;

(ix) for regulating the powers of an Inspector under section 24.

(5) In making a rule under sub-section (1) or sub-section (2), the Chief Commissioner may provide that a breach thereof shall be punishable with fine which

may extend in the case of a first conviction to Rs. 50 and in the case of a second or subsequent conviction to Rs. 100.

(4) The rules made under this section shall, subject to the condition of previous publication, be published in the Official Gazette.

#### SCHEDULE

1. Rinderpest or cattle plague.
2. Foot and Mouth Disease.
3. Haemorrhagic Septicaemia.
4. Blackquarter.
5. Anthrax.
6. Tuberculosis.
7. Johne's Disease
8. Rabies.

[No. 193-J.]

A. N. SACHDEV, Under Secy.

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### MINISTRY OF COMMERCE AND INDUSTRY

*New Delhi, the 3rd September 1952*

**S.R.O. 1557.**—In exercise of the powers conferred by sub-clause (a) of clause 2 of the Iron and Steel (Control of Production and Distribution) Order, 1941, the Central Government is pleased to direct that the following amendment shall be made in the Notification of the Government of India in the Ministry of Industry and Supply, No. 1(1)-4(41), dated the 7th September 1950, as amended from time to time, namely:—

To the Schedule annexed to the said Notification, the following entry shall be added, namely:—

"Sub-Divisional Agricultural Officers appointed by the Government of West Bengal".

[No. SC(A)-4(41).]

*New Delhi, the 10th September 1952*

**S.R.O. 1558.**—In exercise of the powers conferred by sub-clause (a) of Clause 2 of the Iron and Steel (Control of Production and Distribution) Order, 1941 the Central Government is pleased to direct that the following amendment shall be made in the Notification of the Government of India in the Ministry of Industry and Supply, No. 1(1)-4(41), dated the 7th September 1950, as amended from time to time, namely:—

To the Schedule annexed to the said Notification, the following entry shall be added, namely:—

"Engineer-in-Chief, Integral Coach Factory, Perambur."

[No. SC (A)-4(41).]

D. HEJMADI, Under Secy.

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*New Delhi, the 9th September 1952*

**S.R.O. 1559.**—In pursuance of Section 6(1) of the Central Silk Board Rules, 1949, the Central Government is pleased to direct that the following amendments shall be made in the Ministry of Commerce and Industry's Notification No. S.R.O. 383, dated the 9th April 1952:

In the said Notification items 13 and 16 may be amended to read as under:—

13. Shri A. M. Dam, I.A.S., Secretary and Director of Sericulture & Weaving, Government of Assam.

16. Shri V. Subramanian, I.A.S., Joint Registrar for Industrial Co-operatives and Village Industries, Poona.

[No. 1(31)-Tex/52.]

A. S. SHARMA, Under Secy.

*New Delhi, the 9th September 1952*

**S.R.O. 1560** — In pursuance of clause (d) of Rule 2 of the Central Advisory Council (Procedural) Rules, 1952, and in supersession of this Ministry's Notification No SRO 814, dated the 8th May, 1952, the Central Government hereby appoints **Shri B. B. Saksena**, Deputy Secretary to the Government of India in the Ministry of Commerce and Industry, to carry on the functions of Secretary to the Central Advisory Council

[No 3(4)-IA(G)/52]

**P. S. SUNDARAM**, Under Secy.

*New Delhi, the 9th September 1952*

**S.R.O. 1561** — The following draft of certain amendments to the Central Tea Board Rules, 1950 which it is proposed to make after consulting the Central Tea Board in exercise of the powers conferred on the Central Government under section 15 of the Central Tea Board Act, 1949 (XIII of 1949), is published as required by sub-section (1) of the said section of the said Act for information of all persons likely to be affected thereby and notice is hereby given that the proposed amendments will be taken into consideration on or after the 1st October, 1952

2 Any objection or suggestion which may be received from any person with respect to the proposed amendments to the said Rules before the date specified will be considered by the Central Government

*Draft Amendment*

In the said Rules—

- 1 In rule 2, after clause (v) the following clause shall be inserted, namely —  
“(vi) ‘year’ means the period from the first October of a year to the 30th September of the following year”
- 2 In rule 21—
  - (a) for the words “financial year” wherever they occur, the word “year” shall be substituted
  - (b) in sub-rule (4) for the words “the accounts and auditors report” the words “An abstract of receipts and expenditure” shall be substituted

[No 309(14) Tea (Plant)/51]

**N V RAO**, Dy Secy

*Bombay, the 13th September 1952*

**S.R.O. 1562** — In exercise of the powers conferred on me by clause 22 of the Cotton Textiles (Control) Order, 1948 I hereby direct that the following further amendments shall be made in the Textile Commissioner's Notification No 80-Tex I/48(44) dated the 2nd August, 1948 namely —

In the said notification—

- 1 In paragraph 2—
  - (a) in item (i) for the words “the maximum ex-factory price” the words and marks “the words ‘MAX-EX MILL’ and the amount of the maximum ex factory price” shall be substituted
  - (b) in item (ii) for the words “the maximum retail price” the words and marks ‘the words ‘MAX-RETAIL’ and the amount of the maximum retail price” shall be substituted
- 2 For paragraph 4 A the following paragraph shall be substituted namely —  
“4-A In each of the cases specified in paragraphs 2 3 and 4 above the words ‘MAX-EXCISE’ and the amount of the maximum excise duty which is leviable at the date of the stamping under the Central Excises and Salt Act 1944 (I of 1944) shall be stamped”

[No 9(9) CT(A)/52-1]

(44)

**S.R.O. 1563.**—In exercise of the powers conferred on me by clause 2(1) of the Cotton Textiles (Control) Order, 1948, I hereby direct that the following further amendment shall be made in the Textile Commissioner's notification No 9(9)-Tex I/49(u) dated the 19th March, 1949, namely —

In the said notification in the second proviso in paragraph 5 for the words, figures and letters "levied under the Central Excises and Salt Act, 1944" the words, figures brackets and letters "stamped under the Textile Commissioner's notification No 80-Tex I/48/(u), dated the 2nd August, 1948" shall be substituted

T SWAMINATHAN,  
Textile Commissioner

[No 9(9)-CT(A)/52-2 ]

S A TECKCHANDANI, Under Secy

### ORDERS

New Delhi, the 9th September 1952

**S.R.O. 1564**—In exercise of the powers conferred by section 4 of the Supply and Prices of Goods Act 1950 (LXX of 1950) and in partial modification of the notification of the Government of India in the late Ministry of Industry and Supply, No SRO 503 dated the 2nd September 1950 in so far as it relates to the fixation of maximum price of caustic soda, the Central Government hereby fixes the following Schedule or maximum price in respect of 739 cwts (gross) of caustic soda imported from the United States of America per ss "Steel Executive" during the month of July 1952 by Messrs C Agarwal and Company, Ltd, 43-44, Lakshmi Building Sir Phirozeshah Mehta Road, Bombay 1

### SCHEDULE

	(1)	(2)	(3)	(4)	(5)
Variety of soda ash	Maximum price that may be charged by the importer	Maximum price that may be charged by a distributor	Maximum price that may be charged by a wholesale dealer	Maximum price that may be charged by a retail dealer	
Caustic Soda.	Rs 42 6 3 per cwt Ex godown/F O R Bombay.	The price specified in column 2 PLUS (a) actual railway freight by goods train or actual transport charges by sea from Bombay to the place of destination, and (b) handling charges not exceeding annas eight per cwt	The price specified in column 3 PLUS a margin not exceeding annas eight per cwt.	The price specified in column 4 PLUS a margin not exceeding Rs 1 12-0 per cwt.	

**NOTE.**—These prices are exclusive of local taxes such as Sales Tax, Octroi and other local taxes which may be charged extra

[No PC-7(39)/52 ]

**SRO 1565**—In exercise of the powers conferred by section 4 of the Supply and Prices of Goods Act 1950 (LXX of 1950) and in partial modification of the notification of the Government of India in the late Ministry of Industry and Supply No SRO 503 dated the 2nd September 1950 in so far as it relates to the fixation of maximum price of soda ash the Central Government hereby

fixes the following Schedule of maximum price in respect of 2007 cwts. (gross) of soda ash imported from Yugoslavia per s.s. "RISANO" during the month of August 1952 by the Indian Commercial Company Ltd., 45/47, Apollo Street, Fort Bombay.

#### SCHEDULE

(1)	(2)	(3)	(4)	(5)
Variety of soda ash	Maximum price that may be charged by the importer	Maximum price that may be charged by a distributor	Maximum price that may be charged by a wholesale dealer	Maximum price that may be charged by a retail dealer
Soda ash.	Ra. 20-5-0 per cwt. Ex-godown/F.O.R. Bombay.	The price specified in column 2 PLUS (a) actual railway freight by goods train or actual transport charges by sea from Bombay to the place of destination, and (b) handling charges not exceeding annas eight per cwt.	The price specified in column 3 PLUS a margin not exceeding annas eight per cwt.	The price specified in column 4 PLUS a margin not exceeding Rs. 1-12-0 per cwt.

NOTE.—These prices are exclusive of local taxes such as Sales Tax, Octroi and other local taxes which may be charged extra.

[No. PC-7(16)/51.]

SANGAT SINGH, Under Secy.

#### MINISTRY OF PRODUCTION

New Delhi, the 8th September 1952

S.R.O. 1566.—It is hereby notified for general information that with effect from 18th August, 1952, the Coal Board consists of the following persons, namely:—

##### Chairman

1. Mr. R. K. Ramadhyani, I.C.S., Coal Commissioner with the Government of India.

##### Members

2. Mr. L. S. Corbett, Chief Mining Engineer (Railway Board)/Deputy Coal Commissioner (Production).
3. Mr. M. L. Shome, Deputy Coal Commissioner (Distribution).
4. Mr. N. Barraclough, Chief Inspector of Mines in India.
5. Mr. A. B. Guha, Member-Secretary.

[No. 19-CI(4)/52.]

C. C. DESAI, Secy.

# MINISTRY OF COMMUNICATIONS

New Delhi, the 6th September, 1952.

**S.R.O. 1567.**—In exercise of the powers conferred by section 5 of the Indian Aircraft Act, 1934 (XXII of 1934), the Central Government is pleased to direct that the following further amendments shall be made in the Indian Aircraft Rules, 1937, the same having been previously published as required by section 14 of the said Act, namely:—

In the said Rules.

1. For the words "ground engineer" and "Ground Engineers" wherever they occur, the words "aircraft maintenance engineer" and "Aircraft Maintenance Engineers" respectively shall be substituted.

2. For rule 61, the following shall be substituted namely:

## "61 Licensing of Aircraft Maintenance Engineers—

(1) For the purpose of rules 57, 58 and 60 the Central Government may grant licences to persons to act in the capacity of Aircraft Maintenance Engineers, and to sign in connection with the construction, repair, overhaul and maintenance of aircraft such certificates as may be prescribed or required under these rules.

(2) The categories and privileges in respect of which licences for aircraft maintenance engineers may be granted, shall be as follows:—

(a) Category A (applicable to aircraft, excluding engines) in respect of:—

(i) Certification as to fitness for flight of an aircraft for which a certificate of airworthiness is about to be issued.

(ii) Certification as to the safety for flight of public transport aircraft.

(iii) Certification in the log book of work done under approved maintenance schedules.

(iv) Certification in the log book of repairs approved as minor repairs.

(v) Certification in the log book of modifications approved as minor modifications.

(vi) Certification in the log book of replacement of approved components and parts.

(b) Category B (applicable to aircraft, excluding engines) in respect of:—

(i) Certification in the log book of aircraft after overhaul, except that the overhaul, repair or modification of the engine(s), instruments, automatic pilots, variable pitch propellers, or electrical equipment shall have been previously certified by a firm approved for the purpose or by an aircraft maintenance engineer appropriately licensed.

(ii) Certification in the log book of approved repairs.

(iii) Certification in the log book of approved modifications.

(iv) Certification in the log book of the replacement of approved components and parts.

(v) Certification of the construction of components and parts and the materials used therefor, unless it is stated in the licence that this duty is excluded.

(c) Category C (applicable to engines) in respect of:—

(i) Certification as to fitness for flight of engines including propellers fitted in an aircraft for which a certificate of airworthiness is about to be issued.

(ii) Certification as to the safety for flight of engines including propellers fitted in public transport aircraft.

(iii) Certification in the log book of work done under approved maintenance schedules.

(iv) Certification in the log book of the embodiment of approved modifications and the replacement of approved components and parts, provided that the work has not involved dismantling the engines other than to obtain access to pistons, cylinders and valve-operating gear.

(d) Category D (applicable to engines only) in respect of:—

(i) Certification in the log book of engines after overhaul and test except that the overhaul, repair or modification of magnetos and other

Ignition equipment shall have been previously certified by a firm approved for the purpose or by an aircraft maintenance engineer licensed for the purpose in Category X.

- (ii) Certification in the log book of approved repairs.
- (iii) Certification in the log book of approved modifications.
- (iv) Certification in the log book of the replacement of approved components and parts.
- (v) Certification of the construction of components and parts and the materials used therefor, unless it is stated in the licence that this duty is excluded.

(e) Category X in respect of:—

- (i) Certification in the log book of the installation and compensation of compasses.
- (ii) Certification of overhauls, repairs, modifications or replacements and tests thereof of aircraft engine ignition apparatus.
- (iii) Certification in the log book of the overhaul, repair, modification, test, and installation of variable pitch propellers and of replacements thereto.
- (iv) Certification of the overhaul, repair, modification, test, and installation of aircraft and engine instruments, and of replacements thereto.
- (v) Certification of the overhaul, repair, modification, test, and installation of electrical equipment and of replacements thereto.
- (vi) Certification of the overhaul, repair, modification, test, and installation of automatic pilots and of replacements thereto.

(3) An applicant for an aircraft maintenance engineer's licence shall not be less than 21 years of age.

(4) The requirements to be satisfied for the grant or extension of an aircraft maintenance engineer's licence shall be as laid down in section 'F' of schedule III.

(5) An applicant for the grant or the extension of an aircraft maintenance engineer's licence shall be required to undergo tests which may consist of:—

- (a) Written Examination,
- (b) Oral Examination, and
- (c) Practical tests as appropriate.

(6) An applicant who fails in any of the above tests will not be permitted to appear again for such tests for a period of three months or such other period as may be intimated to the applicant by the Director General.

(7) Licences shall remain valid, unless cancelled or suspended, for the periods specified therein, subject to a maximum period of twelve months in each case, and may thereafter be renewed by the Central Government. A candidate for the renewal of a licence may be required to undergo further examinations and tests as a condition of the renewal of the licence.

(8) An Aircraft Maintenance Engineer licensed in a particular category shall, subject to the provisions of sub-rule (9), be competent to deal with the matters specified in sub-rule (2) in respect of the category in which he is licensed.

(9) A licence granted under this rule shall specify the type or types of aircraft, aero-engines, instruments, accessories or equipment which the licensee is competent to deal with, and may contain restrictions limiting his competence to deal with any particular class of work, and the Central Government may at any time vary such specifications or restrictions.

(10) Without prejudice to the provisions of sub-rule (3) of rule 19, the Central Government may after such inquiry as it may deem fit cancel, suspend or endorse any licence granted under this rule where it is satisfied that:—

- (a) the holder of such licence has performed work, or granted a certificate in respect of work which has not been performed in a careful and competent manner, or
- (b) the holder of such licence has signed a certificate in respect of any matter which he is not licensed to deal with, or
- (c) It is undesirable for any other reason that the holder of such licence should continue to exercise the functions of an aircraft maintenance engineer.

(11) The Central Government may withhold the grant or renewal of a licence if for any reason it considers it desirable to do so."

3. For rule 62, the following rule shall be substituted namely:—

"62. Fees:—

(1) The following fees shall be payable in respect of the issue or renewal of certificates of airworthiness and aircraft maintenance engineer's licences and duplicate certificates and licences, and the inspection, tests and examinations required by this Part.

#### *Certificates of Airworthiness Aerodynes.*

(a) Issue or renewal of certificate, including such inspections as may be required by the Central Government:—	Rs.
Maximum permissible weight of 2,500 lbs. or less ...	75
Maximum permissible weight over 2,500 lbs. but not more than 5,000 lbs. ...	150
Maximum permissible weight over 5,000 lbs. but not more than 10,000 lbs. ...	200
Maximum permissible weight over 10,000 lbs. but not more than 20,000 lbs. ...	300
Maximum permissible weight over 20,000 lbs. but not more than 50,000 lbs. ...	600
Maximum permissible weight over 50,000 lbs. ...	1,000
(b) Issue of certificate without inspection (Rule 50). ...	25
(c) Issue of duplicate certificate ...	10

#### *Aircraft Maintenance Engineer's Licences.*

For the licence—

Issue, renewal or issue of duplicate licence. ...	10
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For each separate technical examination—

When required, before issue,  
renewal or extension—

(i) One Category ...	25
(ii) Two Categories ...	35
(iii) Each additional Category ...	15
(iv) Additions of types of aircraft, engines, instruments, accessories, or equipment to those already endorsed on the licence for each category in which additions are required ...	15

(2) An application for a licence or certificate or for the renewal or extension of a licence or certificate shall be accompanied by a Treasury Receipt or a money order for the sum necessary to cover all the fees payable but when, for any reason, the licence or certificate is not issued, renewed or extended, the Central Government may refund to the applicant such proportion of the sum paid as represents the cost of any examination or inspection not carried out or any licence or certificate not issued."

4. In Schedule III, for "Section F", the following section shall be substituted, namely:—

#### **"SECTION F**

##### **"AIRCRAFT MAINTENANCE ENGINEERS LICENCES—SYLLABUS, QUALIFYING TESTS AND EXAMINATIONS**

##### **"SUB-SECTION I—Aircraft Maintenance Engineer Licence**

##### **"Issue and Extension—category 'A'**

"1. *Experience Required.*—Applicants for the grant of a licence in category 'A', the addition of category 'A' to an existing licence, and the extension of a licence already valid in category 'A' will be required to furnish particulars of their experience and this must include the full minimum experience as shown in the tables at the end of paragraph 5.

2. Applicants accepted for examination for a licence in Category 'A' will be required to answer questions in order to demonstrate their knowledge in respect

of the subjects detailed in paragraph 3 below according to the construction of the type(s) for which a licence is desired.

3. *Syllabus*.—(1) Indian Aircraft Rules in so far as they affect an aircraft maintenance engineer licensed in Category 'A'.

(2) The various terms used in aeroplane construction and aerodynamics and the functioning of each component part of an aeroplane.

(3) Practical arithmetical calculations, involving vulgar and decimal fractions, percentages and mensuration.

(4) The preparation of a brief report, illustrated by sketches if necessary, describing the replacements required in the event of damage, defect or wear.

(5) The inspection and checks for alignment after assembly of aeroplane structural components.

(6) The inspection during and after adjustment of flying controls.

(7) The correction of faults experienced in flight with particular reference to rigging and control settings.

(8) General maintenance (including equipment) and minor repair.

(9) Defects and deterioration of metallic materials, treatments and methods used against corrosion.

(10) Defects and deterioration of wooden structures, including treatments and methods used in connection with them, where applicable.

(11) Defects and deterioration of materials—other than wood or metal—including fabric, dopes, etc. Treatments and methods used in rectifying defects encountered, where applicable.

(12) The inspection of control mechanisms for defects and deterioration.

(13) The inspection and scope of investigation following heavy landings.

(14) The methods of checking flying instruments for correct functioning, the inspection of instruments and instrument installations in aeroplanes, and methods of making check calibrations.

(15) The inspection of electrical installations in aeroplanes and testing for correct functioning and condition.

(16) The inspection of undercarriage shock-absorbing legs, brakes, wheels and tyres.

(17) The principles of operation of retracting undercarriage and flap operating systems and inspection of these systems installed in aeroplanes, where applicable.

(18) Where applicable, general principles of operation of the particular type of automatic pilot installed in the aeroplane.

(19) Where applicable, methods of coupling the automatic pilot system to the aircraft flying controls. Tests to ensure that the automatic pilot can be immediately disengaged and/or over-controlled in any emergency.

(20) Where applicable, the daily maintenance and periodical inspections necessary to ensure correct operation and functioning of automatic pilot installations. Such minor replacements and adjustments on the aeroplane as specified in the maintenance manual as being within the scope of an aircraft maintenance engineer licensed in Category 'A'.

4. Where, subsequent to a written examination, an oral examination is required by the Director General, applicants may be required to answer further questions in respect of the subject detailed in paragraph 3 above, and in all cases they shall be required to demonstrate in this examination:—

Practical knowledge of inspection and the use of measuring instruments and the interpretation of drawings.

5. Where a test of workmanship is required by the Director General, applicants may be expected to demonstrate their ability in the use of hand tools by the fabrication of samples from engineering drawings. Such samples may include the making of small aircraft parts, and/or approved repairs to aircraft parts."

**"Issue or addition of category 'A'**

**(Vide paragraph 1 above).**

1	2	3	4
Type of Aeroplane	Any single-engined aircraft with maximum all-up-weight not exceeding 4,000 lbs.	Any twin-engined aircraft with all-up-weight not exceeding 35,000 lbs. and single-engined aircraft with maximum all-up-weight in excess of 4,000 lbs.	Any aircraft with more than two engines and also twin-engined aircraft with maximum all-up-weight in excess of 35,000 lbs.
Total aeronautical engineering experience, periods totalling:—	<b>*3 years</b>	<b>*3 years</b>	<b>*4 years</b>
and			
this must include general practical maintenance and inspection during maintenance of airframes, periods totalling :—	12 months	18 months	24 months
and either			
(a) of this, periods totalling :—	6 months	6 months	6 months
must have been on the practical maintenance and inspection during maintenance on the type for which application is made ; or			
(b) of this, periods totalling :—	6 months	6 months	6 months
must have been on the practical maintenance and inspection during maintenance on types similar to the one for which the application is made and periods totalling :—	3 months	3 months	3 months
must have been on maintenance and/or inspection during maintenance on the type for which application is made.			

\*NOTE.—Where the applicant has satisfactorily completed a course of training approved by the Director General the requirements for practical experience may be reduced by a period of not more than 1 year."

**"Extension in category 'A'**

**(Vide paragraph 1 above)**

Type of aircraft	Experience of practical maintenance and inspection during maintenance of airframe
1	2
I. Any single-engined aircraft with maximum all-up-weight not exceeding 4,000 lbs.	Periods totalling 6 months spent on the type for which extension is desired, unless the licence is already valid in Category 'A' for a type of similar construction when evidence of 3 months recent experience on the type for which application is made, may be accepted.

- |  |   |
|--|---|
| <p>II. Any twin-engined aircraft with maximum all-up-weight not exceeding 35,000 lbs. and single-engined aircraft with maximum all-up-weight in excess of 4,000 lbs.</p> | <p>Periods totalling 6 months spent on the type for which extension is desired, unless the licence is already valid in Category 'A' for a type of similar construction and of approximately comparable all-up-weight, when evidence of 3 months recent experience on the type for which application is made, may be accepted.</p> |
| <p>III. Any aircraft with more than two engines and also twin-engined aircraft with maximum all-up-weight in excess of 35,000 lbs.</p>                                   | <p>Periods totalling 6 months spent on the type for which extension is desired, unless the licence is already valid in Category 'A' for a type of similar construction and of approximately comparable all-up-weight when evidence of 3 months recent experience on the type for which application is made, may be accepted."</p> |

**"SUB-SECTION II—Aircraft Maintenance Engineer Licence.**

**"Issue And Extension—Category 'B'**

**"1. Experience Required.**—(1) Applicants for the grant of a licence in Category 'B', the addition of Category 'B' to an existing licence, and the extension of a licence already valid in Category 'B' will be required to furnish particulars of their experience and this must include the full minimum experience as shown in the table at the end of paragraph 5.

(2) Where the licence is required to include the certification of the construction of parts and of the materials used therefor, applicants shall have had a minimum of two years experience of the inspection of the fabrication of materials into aeroplane parts, components and complete aeroplanes. At least one year of this experience must have been spent in the identification, selection, inspection and physical testing of materials involved, the heat treatment of metals and the various processes for the protection of materials, parts and assemblies against corrosion applicable to the type(s) for which application is made.

2. Applicants accepted for examination for a licence in Category 'B' for certification of the overhaul and repair of aeroplanes incorporating the replacement of approved parts and components only, will be required to answer questions in order to demonstrate their knowledge in respect of the subjects detailed in paragraph 4, sub-paragraphs (1) to (17) according to the construction of the type(s) for which accepted.

3. Applicants accepted for examination for a licence in Category 'B' for the certification of the overhaul and repair of aeroplanes including the certification of the construction of components and parts and materials used therefor, will be required to answer questions in order to demonstrate their knowledge in respect of the subjects referred to in paragraph 2 above and in addition, will be required to answer questions in order to demonstrate their knowledge in respect of the subjects detailed in paragraph 4, sub-paragraphs (18) to (23) according to the construction of the type(s) for which accepted.

**4. Syllabus.**—(1) Indian Aircraft Rules in so far as they affect an aircraft maintenance engineer licensed in Category 'B'.

(2) The various terms used in aeroplane construction and aerodynamics and the functioning of each component part of an aeroplane.

(3) Practical arithmetical calculations, involving vulgar and decimal fractions, percentages and mensuration.

(4) The preparation of an inspection report on the condition of an aeroplane that is about to be overhauled for the renewal of the certificate of airworthiness.

(5) The method of systematically carrying out the required overhaul.

(6) The procedure for completing the inspection record on work done for the purpose of overhaul of the component parts.

(7) The approved repair schemes applicable to the complete rectification and overhaul of the component parts.

(8) The inspection of the repair, overhaul and assembly of components and the workshop processes involved, such as glueing, doping, welding, brazing and soldering, in so far as they affect the incorporation of previously approved replacement members and parts, including the appropriate protective treatment, where applicable.

(9) The inspection and methods of checking for alignment and symmetry of components such as fuselages, hulls, floats, wings and fixed-pitch propellers, where applicable.

(10) The inspection of the repair, overhaul and functional testing of tanks, radiators and collers.

(11) The inspection of the repair, overhaul and functional testing of shock-absorbing devices of landing gear.

(12) The inspection of engine installations, less engines but including controls, fuel, oil and coolant systems.

(13) The inspection of the complete airframe, including controls and trimming devices, for correct assembly and functioning.

(14) The general principles of electricity and magnetism and, as far as it is practicable on the ground, the inspection of the installation and functioning of instruments, automatic pilots and electrical equipment. Methods of making check calibrations.

(15) The method of determining the weight and the position of the centre of gravity of an aeroplane and the preparation of the weight schedule.

(16) The preparation of a sketch of proposed repair or modification from which a finished drawing can be made.

(17) The inspection of the assembly and functioning of retracting devices such as landing gear flaps, air brakes, etc., where applicable.

(18) The identification, selection, inspection and physical testing of the various timbers used in the construction of the aeroplane, where applicable.

(19) The methods of examination and physical testing of all the non-metallic materials (other than timbers) used in the construction of the aeroplane to ensure compliance with specification requirements.

(20) The inspection during fabrication of non-metallic materials into aeroplane parts and components of the workshop processes involved, glueing, stitching, doping and protective measures against corrosion and deterioration, where applicable.

(21) The methods of examination and physical testing of both ferrous and non-ferrous metallic materials used in the construction of the aeroplane, to ensure compliance with specification requirements.

(22) The inspection during fabrication of metallic materials into aeroplane parts and components, and of the workshop processes involved. Heat treatment including temperature control, welding, soldering, brazing, electroplating and other protective treatments against corrosion and deterioration.

(23) The inspection during construction of components such as fuselages, wings, fixed-pitch propellers, tanks, radiators and coolers.

5. Where, subsequent to a written examination, an oral examination is required by the Director General, applicants may be required to answer further questions in respect of the subjects detailed in paragraph 4 above, as applicable, and in all cases they shall be required to demonstrate in this examination.—

Practical knowledge of inspection, the use of measuring instruments and the interpretation of drawings."

" Issue or addition of Category ' B ' "

(Vide paragraph 1 above)

	I	II	III
Type of Aeroplane	Any single-engined aircraft with maximum all-up-weight not exceeding 4,000 lbs.	Any twin-engined aircraft with all-up-weight not exceeding 35,000 lbs. and single-engined aircraft with maximum all-up-weight in excess of 4,000 lbs.	Any aircraft with more than two engines and also twin-engined aircraft with maximum all-up-weight in excess of 35,000 lbs.
Total aeronautical engineering experience, periods totalling :—	4 years	5 years	5 years.
and			
this must include general practical overhaul and repair of airframes, periods totalling :—	18 months	24 months	30 months.
and either			
(a) of this, periods totalling :— must have been on the practical overhaul and repair experience of the type for which application is made ; or	6 months	6 months	12 months.
(b) of this, period totalling :— must have been on the practical overhaul and repair experience of the type similar in characteristics to the one for which application is made and periods totalling :—	6 months	6 months	12 months.
must have been on the practical overhaul and repair experience of the type for which application is made."	3 months	3 months	3 months.

" Extension in Category ' B ' "

(Vide paragraph 1 above)

Type of aircraft	Experience of practical overhaul and repair of aircraft
1	2
Any single-engined aircraft with maximum all-up-weight not exceeding 4,000 lbs.	Periods totalling 6 months spent on the type for which extension is desired, unless the licence is already valid in Category ' B ' for a type of similar construction when evidence of 3 months recent experience on the type for which application is made, may be accepted.

1

2

Any twin-engined aircraft with maximum all-up-weight not exceeding 35,000 lbs. and single-engined aircraft with maximum all-up-weight in excess of 4,000 lbs.

Periods totalling 6 months spent on the type for which extension is desired, unless the licence is already valid in Category 'B' for a type of similar construction and of approximately comparable all-up-weight, when evidence of 3 months recent experience on the type for which application is made, may be accepted.

Any aircraft with more than two engines and also twin-engined aircraft with maximum all-up-weight in excess of 35,000 lbs.

Periods totalling 6 months spent on the type for which extension is desired, unless the licence is already valid in Category 'B' for a type of similar construction and of approximately comparable all-up-weight when evidence of 3 months recent experience on the type for which application is made, may be accepted.

### "SUB-SECTION III.—Aircraft Maintenance Engineer Licence.

#### "Issue and Extension.—Category 'C'

"1. *Experience Required.*—Applicants for the grant of a licence in Category 'C', the addition of Category 'C' to an existing licence, and the extension of a licence already valid in Category 'C' will be required to furnish particulars of their experience and this must include the full minimum experience as shown in the table at the end of paragraph 5.

2. Applicants accepted for examination for a licence in Category 'C' will be required to answer questions in order to demonstrate their knowledge in respect of the subjects detailed in paragraph 3, sub-paragraphs (1) and (2) for piston engines and sub-paragraphs (1) and (3) for turbo jet and turbo-propeller engines according to the type(s) for which a licence is desired.

3. *Syllabus.*—(1) *General.*—(a) Indian Aircraft Rules in so far as they affect an aircraft maintenance engineer licensed in Category 'C'.

(b) Practical arithmetical calculations involving vulgar and decimal fractions, percentages and mensuration.

(c) The preparation of a brief report, illustrated by sketches if necessary, describing the replacements required in the event of damage, defect or wear.

(d) Methods of inspection for defects during rectification, clearances and allowances for wear and distortion.

(e) Methods of rectification of defects, inspection during and after re-assembly.

(f) Inspection and checks on complete installation and systems, as required during engine installation.

(g) The methods of checking engine instruments for correct functioning, the inspection of engine instruments and installations in aeroplanes, and methods of making check calibrations.

(h) Testing and tuning on the ground, including bench testing in accordance with the manufacturer's recommended procedure as applicable, including diagnosis of all types of running faults.

(i) Inspection during daily maintenance and periodical servicing. The preparation of engines for installation and inhibition after removal.

(j) Where applicable, the assembly of variable pitch propellers dismantled for ease of transport, assembly of propeller to engine, inspection of damage to propellers permissible limits and methods of rectification.

(k) Where applicable, the principles of operation of variable-pitch propellers and controlling devices; inspection of correct assembly and functioning; ground testing and rectification of defects.

(2) *Piston Engines*.—(a) The principles of operation of piston engines and the general construction thereof.

(b) Constructional details of parts the rectification of which may be certified by the holder of a licence in Category 'C'.

(c) Typical running faults and defects calling for partial overhaul or other rectification which may be certified by the holder of a licence in Category 'C'.

(d) The principles, arrangement and inspection of the complete fuel, oil (pneumatic, hydraulic and coolant, where applicable) systems, and tests for functioning and defects and methods of rectification.

(e) Inspection of ignition systems for correct installation, condition, timing and functioning, and tests for defects and methods of rectification.

(f) The principles of operation of carburettors and/or injectors; inspection of carburettors and/or injectors, controls and induction systems; tests for functioning and defects.

(g) Where applicable, the inspection of fixed pitch propellers and checks during assembly to engine.

(h) Where applicable, the principles of super-charging and the operation of boost controls; inspection for correct assembly, adjustment and functioning.

(3) *Turbo-jet and Turbopropeller Engines*.—(a) The principles of operation of turbo-jet and/or turbopropeller engines and general construction of the current type(s) of engines for which accepted.

(b) The various terms used in the construction of turbine engines and the functioning of each component part of the engine.

(c) The procedure for the partial dismantling and re-assembly of the engine to permit inspection and rectification which may be certified by an engineer licensed in Category 'C'.

(d) Construction, functioning and maintenance (including adjustments) of all systems and ancillary devices necessary for the operation of the engine.

(e) The principles of operation of fuel systems and controls, inspection of complete fuel systems and controls and the tests for functioning and defects.

(f) Inspection of ignition systems for correct installation, condition and functioning and tests for defects and methods of rectification.

(g) Principles, arrangement and inspection of the starter panel systems. Testing for functioning, defects and methods of rectification.

(h) Construction, functioning and maintenance of the complete starting system.

(i) knowledge of safety precautions during ground running, parking and storage, and means of protection of breakdown points of fuel systems.

4. Where, subsequent to a written examination, an oral examination is required by the Director General, applicants may be required to answer further questions in respect of the subjects detailed in paragraph 3 above, as applicable and in all cases they shall be required to demonstrate in this examination—

Practical knowledge of inspection and of the use of measuring instruments and the interpretation of drawings.

5. Where a test of workmanship is required by the Director General, applicants may be expected to demonstrate their ability in the use of hand tools by the fabrication of samples from engineering drawings. Such samples may include the making of small engine parts and/or approved repairs to engine parts."

**"Issue or addition of Category 'C'**

*(Vide paragraph 1 above).*

	I	II	III
Type of engine	Any normally aspirated piston engine rated at 250 BHP or below	Any piston engine rated at 1,200 BHP or below (not included in Column I)	Any engine not included in Columns I & II
Total aeronautical engineering experience, periods totalling:—	*3 years . . .	*3 years . . .	*4 years
<b>AND</b>			
this must include general practical maintenance and inspection during maintenance of engines, periods totalling:—	12 months . . .	13 months . . .	24 months.
<b>AND either</b>			
(a) of this, periods totalling:— must have been on the practical maintenance and inspection during maintenance on the type for which application is made, or	6 months . . .	6 months . . .	12 months.
(b) of this, period totalling:— must have been on the practical maintenance and inspection during maintenance on the types similar to the one for which the application is made and periods totalling:—	6 months . . .	6 months . . .	12 months.
must have been on maintenance and inspection during maintenance in the type for which application is made.	3 months . . .	3 months . . .	6 months.

\*NOTE:—Where the applicant has satisfactorily completed a course of training approved by the Director General the requirements for practical experience may be reduced by a period of not more than 1 year."

**"Extension in Category 'C'**

*(Vide paragraph 1 above).*

Type of engine 1	Experience of practical maintenance and/or inspection during maintenance of engines 2
I. Any normally aspirated engine rated at 250 BHP or below.	Periods totalling 6 months spent on the type for which extension is desired, unless the licence is already valid in Category 'C' for a type of similar construction when evidence of 3 months recent experience on the type for which application is made may be accepted.

II. Any piston engine rated 1200 BHP or below (not included in I above).	Periods totalling 6 months spent on the type for which extension is desired, unless the licence is already valid in Category 'C' for a type of similar construction and approximately comparable B. H. P. when evidence of 3 months recent experience on the type for which application is made, may be accepted.
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III. Any engine not included in I & II above.	Periods totalling 12 months spent on the type for which extension is desired, unless the licence is already valid in Category 'C' for a type of similar construction and approximately comparable B.H.P. when evidence of 3 months recent experience on the type for which application is made, may be accepted."
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#### "SECTION IV.—Aircraft Maintenance Engineer Licence

##### "Issue and Extension—Category 'D'

"1. **Experience required.**—(1) Applicants for the grant of a licence in Category 'D', the addition of Category 'D' to an existing licence, and the extension of a licence already valid in Category 'D' will be required to furnish particulars of their experience and this must include the full minimum experience as shown in the table at the end of paragraph 5

(2) Where the licence is required to include the certification of the construction of parts and of the materials used therefor applicants shall have had a minimum of two years' experience of inspection of the fabrication of materials into engine parts, components and complete engines. At least one year of this experience must have been spent in the identification, selection, inspection and physical testing of materials involved, the heat treatment of metals and the various processes for the protection of materials, parts and assemblies against corrosion applicable to the type(s) for which application is made.

2. Applicants accepted for examination for a licence in Category 'D' for the certification of the overhaul, repair and test of engines incorporating the replacement of approved parts and components only, will be required to answer questions in respect of the subjects detailed in paragraph 4, sub-paragraph (1) to (15) according to the construction of the type(s) for which accepted.

3. Applicants accepted for examination for a licence in Category 'D' for the certification of the overhaul, repair and test of engines, including the certification of the construction of components and parts and the materials used therefor, will be required to answer questions in respect of the subjects referred in paragraph 2 above and in addition will be required to answer questions in respect of the subjects detailed in paragraph 4, sub-paragraph (16) to (20) according to the construction of the type(s) for which accepted.

4. **Syllabus.**—(1) Indian Aircraft Rules in so far as they affect an aircraft maintenance engineer licensed in Category 'D'.

(2) Practical arithmetical calculations, involving vulgar and decimal fractions, percentages and mensuration.

(3) The principles of operation of piston engines, with special reference to current types of aircraft engines

(4) The preparation of an inspection report on the condition of an engine stripped down for complete overhaul.

(5) The method of systematically carrying out complete overhaul.

(6) The procedure for completing the inspection record on work done for the purpose of overhaul of the component parts

(7) The methods of inspection during overhaul of the component parts of an engine for wear, malalignment, distortion and damage. The defects likely to be encountered and their rectification, the permissible allowances for wear and distortion and the balancing of parts.

(8) The inspection during rectification of parts and components, workshop processes involved, in so far as they affect the incorporation and fitment of previously approved replacement parts, including the appropriate protective treatments applicable.

(9) The methods of inspection and checking the correct functioning of the ignition, carburation or injection, fuel, oil, pneumatics, hydraulic pumps, etc., and, where applicable, coolant systems.

(10) The inspection of the assembly of the complete engine including controls for correct assembly and functioning.

(11) The principles, functioning, operation, adjustment and control of the apparatus used in testing engines.

(12) The inspection, adjustment and testing of an engine and all its accessories after overhaul, including the measurement of the power developed and of fuel and oil consumption.

(13) The preparation of a sketch of a proposed repair or modification from which a finished drawing can be made.

(14) The methods of inspecting and checking the correct functioning of propeller control systems, where applicable.

(15) The principles of supercharging and the operation and testing of supercharges and boost control systems where applicable.

(16) The materials, both ferrous and non-ferrous, used in engine construction.

(17) The methods of examination and physical testing of both ferrous and non-ferrous metallic materials used in the construction of the engine to ensure compliance with specification requirements.

(18) The methods of examination and physical testing of metal forgings, castings and pressings used in the construction of the engine, for the detection of characteristic defects which may render them unsuitable and to ensure compliance with both specifications and drawing requirements

(19) The inspection during fabrication of metallic materials, metal forgings, castings and pressings into engine parts and components, the repair of component parts and of the workshop processes involved, heat treatment, including temperature control, of hardening, tempering, case hardening and normalising procedure, and of welding, white-metalling, soldering, brazing, electro-plating, and other protective treatments against corrosion and deterioration.

(20) The inspection and methods of checking the finished parts and components prior to and during assembly into the complete engine for correct alignment, weight and balance.

5. Where, subsequent to a written examination, an oral examination is required by the Director General applicants may be required to answer further questions in respect of the subjects detailed in paragraph 4 above, as applicable, and in all cases they shall be required to demonstrate in this examination:—

Practical knowledge of inspection, the use of measuring instruments and the interpretation of drawings."

**"Issue or Addition of Category 'D'"**

(Vide paragraph 1 above)

Type of engine	I Any normally aspirated piston engine rated at 250 BHP or below	II Any piston engine rated at 1200 BHP or below (not included in Column I)	III Any engine not included in Columns I & II
Total aeronautical engineering experience, periods totalling :—	4 years . . .	5 years . . .	5 years.
AND this must include general practical, overhaul, repair and test experience of engines periods totalling :—	18 months . . .	24 months . . .	30 months
AND either			
(a) of this, periods totalling :—	0 months . . .	6 months . . .	12 months.
must have been on the practical overhaul, repair and test on the type for which application is made, or,			
(b) of this, periods totalling :—	6 months . . .	6 months . . .	12 months.
must have been on the practical overhaul, repair and test experience of types similar in characteristics to the one for which application is made and periods totalling :—	3 months . . .	3 months . . .	3 months."
on the practical overhaul, repair and test on the type for which application is made.			

**"Extension in Category 'D'"**

(Vide paragraph 1 above)

Type of engine	Experience of practical overhaul and/or repairs of engines
I	2
I. Any normally aspirated piston engine rated at 250 BHP or below.	Periods totalling 6 months spent on the type for which extension is desired, unless the licence is already valid in Category 'D' for a type of similar construction when evidence of 3 months' recent experience on the type for which application is made, may be accepted.
II. Any piston engine rated at 1200 BHP or below (not included in I above).	Periods totalling 6 months spent on the type for which extension is desired, unless the licence is already valid in Category 'D' for a type of similar construction and approximately comparable B. H. P. when evidence of 3 months' recent experience on the type for which application is made, may be accepted.

- III. Any engine not included in I & II above. Periods totalling 12 months spent on the type for which extension is desired, unless the licence is already valid in category 'D' for a type of similar construction and approximately comparable B. H. P. when evidence of 3 months' recent experience on the type for which application is made, may be accepted."

*"SUB-SECTION V.—Aircraft Maintenance Engineer Licences.*

*Issue and extension—Categories 'A' & 'C' (Helicopters—including Engines)"*

"1. *Experience required.*—(1) Applicants for the grant of a licence for the certification of helicopters, of a maximum authorised all-up-weight of 8,000 lbs. or less, before flight, shall have had 3 years' aeronautical engineering experience. This must include a minimum of one year of general practical experience in the maintenance of helicopters (including engines). In addition, applicants shall have had recent practical experience of the maintenance and inspection of the type of helicopter (including engine) for which application is made.

(2) Applicants for the issue of a licence for the certification of helicopters of maximum authorised weight of greater than 4,000 lbs. shall have had 4 years aeronautical engineering experience, which must include a minimum of 12 months' recent practical experience of helicopters. In addition, such applicants shall have had 6 months' recent experience of maintenance and inspection of the type of helicopter, for which application is made.

(3) Applicants for the extension of a licence for the certification of helicopters shall have had 3 months' recent experience of maintenance and inspection of the type(s) for which extension is desired, in the case of those helicopters that have a maximum authorised weight of 4,000 lbs. or less, but 6 months' such experience will be required, when extension of the licence is desired to include helicopters exceeding 4,000 lbs. maximum authorised weight.

2. Applicants accepted for examination for a licence in Categories 'A' and 'C' (Helicopters—including engines) will be required to answer questions in order to demonstrate their knowledge in respect of the subjects detailed in paragraph 3 below, according to the construction of the type(s) for which accepted.

3. *Syllabus.*—(1) Indian Aircraft Rules in so far as they affect an aircraft maintenance engineer licensed in Categories 'A' and 'C'.

(2) Practical arithmetical calculations, involving vulgar and decimal fractions, percentages and mensuration.

(3) The maintenance of a helicopter, including engine(s), and its equipment.

(4) The various terms used in helicopter construction and aerodynamics and the functioning of each component part of a helicopter.

(5) The assembly of helicopter structures, with reference to the assembly and functioning of the rotors, including transmission.

(6) The adjustment of the rotors for the purpose of rectifying faults experienced in flight as a result of defect or mal-adjustment.

(7) The inspection of electrical installations and testing for correct functioning and condition.

(8) Defects and deterioration in covered surfaces in timber and metal structures, as applicable, and methods of rectification.

(9) The principles and functioning of shock-absorbing devices and retracting devices of landing gear, where applicable.

(10) The method of effecting minor repairs and replacements.

(11) The method of checking flying and engine instruments for correct functioning, methods of making check calibrations, and inspection of instruments and installations.

(12) The preparation of a brief report, illustrated by sketches if necessary, describing replacements or repairs required in the case of damage.

(13) The principles of operation of internal combustion engines and the general construction of current types of aircraft engines.

(14) Methods of inspecting engines during replacements of approved parts, the defects likely to be encountered and their rectification, and the permissible allowances for wear and distortion.

(15) The inspection, adjustment and testing of an engine and its accessories after the replacement of approved parts, to ensure correct functioning and power output.

(16) The inspection, before flight, of an engine and its installations, engine ignition apparatus, carburettors, pumps, filters and starting mechanism.

(17) The use of equipment required to test engines after the replacement of approved parts.

(18) The principles of supercharging and the operation of superchargers, where applicable.

(19) The principles of operation of the transmission and the rectification of faults in the system.

4. Where, subsequent to a written examination, an oral examination is required by the Director General, applicants may be required to answer further questions in respect of the subjects detailed in paragraph 3 above, and in all cases they shall be required to demonstrate in this examination:—

Practical knowledge of inspection and of the use of measuring instruments and the interpretation of drawings.

5. Where a test of workmanship is required by the Director General, applicants may be expected to demonstrate their ability in the use of hand tools by the fabrication of samples from engineering drawings. Such samples may include the making of small helicopter and engine parts, and/or typical repairs to helicopter and engine parts."

#### *"SUB-SECTION VI.—Aircraft Maintenance Engineer Licence*

##### *Issue and extension—Category 'X' (Automatic Pilots)"*

"1. *Experience required.*—(1) Applicants for the grant of a licence in Category 'X' in respect of the overhaul, repair, modification, calibration and installation in aircraft of automatic pilots shall have had at least three years instrument engineering experience, including a minimum of one-and-a-half years of general practical experience of the repair, modification, calibration, installation and testing of aircraft automatic pilots, of which at least half must be recent experience concentrated on the particular type of automatic pilot for which the application is made.

(2) Applicants for extension to include a further type of automatic pilot shall have had at least six months recent practical experience of the particular type or at least three months recent practical experience of the particular type and, in addition, a satisfactory instruction course with the manufacturers.

2. Any application for a licence in Category 'X' (Automatic Pilots) will be accepted for one type only in any class of automatic pilot. All applicants will be required to answer questions in order to demonstrate their knowledge in respect of the subjects detailed in paragraph 3, sub-paragraph (1), and in addition, according to the class of automatic pilot for which the application is accepted, questions to demonstrate their knowledge in respect of the subjects detailed in paragraph 3, sub-paragraphs (2) to (4) below.

3. *Syllabus.*—(1) *General.*—(a) Indian Aircraft Rules in so far as they affect the aircraft maintenance engineer licensed in Category 'X'.

(b) Elementary physics and elementary practical mathematical calculations involved.

(c) The fundamental principles employed in the construction and operation and their application to the particular automatic pilot for which the application is accepted.

(2) *Automatic pilots employing hydraulic operations.*—(a) General principles of construction and operation of the control units, sub-assemblies, hydraulic and air systems.

(b) The necessary inspections prior to installation in the aircraft of the automatic pilot and its sub-assemblies, including oil pumps, regulators and accessories.

(c) The inspection during and after installation in the aircraft, including procedure for bleeding the hydraulic system. Tests to be carried out to ensure that the automatic pilot can be disengaged quickly and/or manually over-controlled in emergency in flight and that it is correctly installed.

(d) The types of failure which may develop in operation and the methods adopted to trace the causes. The adjustment and rectification of minor faults and measures taken to prevent their recurrence.

(e) The inspection of component parts of the control units and sub-assemblies during overhaul, repair or modification and the correction of physical and mechanical faults peculiar to such component parts. The effect of variation and adjustment.

(f) The methods and procedure for lapping, polishing, testing and inspecting ball races, cups, cones and pivots of the gyro and gimbal systems and attachments.

(g) The conventional methods of balancing, calibrating, adjusting and testing during and after overhaul, repair or modification of the sub-assemblies and the complete automatic pilot in the workshop in so far as is permitted by the manufacturer's approved overhaul and repair manual.

(h) The principles employed and methods adopted in the construction, operation, calibration, and testing of the sub-standard test apparatus normally used in automatic pilot repair workshops. The use for this purpose of Reference Standards.

(3) *Automatic Pilots employing pneumatic operation.*—(a) The general principles of operation and construction of the control unit(s) and sub-assemblies, including the monitoring system and air system.

(b) The necessary inspection prior to installation in the aircraft of the automatic pilot and its sub-assemblies, including the compressor, separator and drier.

(c) The inspection during and after installation in the aircraft. Tests to be carried out to ensure that the automatic pilot can be disengaged quickly and/or manually overcontrolled in emergency in flight and that it is correctly installed.

(d) The types of failure which may develop in operation, methods adopted to trace the causes. The adjustment and rectification of minor faults and measures taken to prevent their recurrence.

(e) The inspection of component parts of the control units and sub-assemblies during overhaul, repair or modification and the correction of physical and mechanical faults peculiar to such component parts. The effect of variation and adjustment.

(f) The method and procedure for lapping, polishing, testing and inspecting ball races, cups, cones and pivots of the gyro and gimbal systems and attachments.

(g) The conventional methods of balancing, calibrating, adjusting and testing during and after overhaul, repair or modification of the sub-assemblies and the complete automatic pilot in the workshops in so far as is permitted by the manufacturer's approved overhaul and repair manual.

(h) The principles employed and the methods adopted in the construction, operation, calibration and testing of the sub-standard test apparatus normally used in automatic pilot repair workshops. The use for this purpose of Reference Standards.

(4) *Automatic pilots employing electrical operation (including those with electronic amplifiers.*—(a) Electricity and magnetism, definitions of terms used and their application and elementary practical mathematical calculations involved.

(b) General principles of operation and construction of the control units and sub-assemblies including the electrical, hydraulic and/or air systems and monitoring systems, where applicable.

(c) The necessary inspection prior to installation in the aircraft of the automatic pilot and its sub-assemblies.

(d) The inspection during and after installation in aircraft, including the security and correct connections of the electrical cable system. Tests to be carried out to ensure that the automatic pilot can be disengaged quickly and/or manually over-controlled in emergency in flight and that it is correctly installed.

(e) The types of electrical and mechanical failure which may develop in operation, methods adopted to trace the causes. The adjustment and rectification of minor faults and measures taken to prevent their recurrence.

(f) The inspection of component parts of the control units and sub-assemblies during overhaul, repair or modification and the correction of physical, electrical

and mechanical faults peculiar to such component parts. The effect of variation and adjustment.

(g) The methods and procedure for lapping, polishing, testing and inspecting ball races, cups, cones and pivots of the gyro and gimbals systems and attachments.

(h) The conventional method of balancing, calibrating, adjusting and testing during and after overhaul, repair or modification of the sub-assemblies and the complete automatic pilot in the workshop in so far as is permitted by the manufacturer's approved overhaul and repair manual.

(i) The principles employed and methods adopted in the construction, operation, calibration and testing of the sub-standard test apparatus normally used in automatic pilot repair workshop. The use for this purpose of Reference Standards.

4. Where, subsequent to a written examination, an oral examination is required by the Director General, applicants will be required to answer further questions in respect of the subject detailed in paragraph 3, sub-paragraph (1) and, according to the class of automatic pilot for which application is accepted, questions in respect of the subjects detailed in paragraph 3, sub-paragraphs (2) to (4) and in all cases they shall be required to demonstrate in this examination:—

Practical knowledge of inspection, the use of measuring instruments and the interpretation of drawings."

**"SUB-SECTION VII.—Aircraft Maintenance Engineer Licence  
Issue and Extension—Category 'X'**

***Installation and Compensation of compasses in Aircraft."***

"1. *Experience Required.*—(1) Applicants for the grant of a licence in Category 'X' in respect of the installation and compensation of direct-reading magnetic compasses in aircraft, will be required to produce satisfactory evidence that they have had a minimum of one year of recent general practical experience in the installation and compensation of direct-reading magnetic compasses in aircraft.

(2) Applicants for the issue of a licence in Category 'X' in respect of the installation and compensation of remote-reading compasses in aircraft shall, in addition to the experience detailed in sub-paragraph (1) above, have had at least six months recent general practical experience in the installation and compensation in aircraft of the type of remote-reading compass for which the application is made.

(3) Applicants for an extension to an existing licence in Category 'X' (Compasses) to include one further type of remote-reading compass in addition to the type(s) already held, shall have had at least three months additional experience on the type for which the extension is required.

2. All applicants accepted for examination for a licence in Category 'X' (Compasses) will be required to answer, in written examination, questions to demonstrate their knowledge in respect of the subjects detailed in paragraph 3, sub-paragraph (1) to (8). The applicants referred to in paragraph 1, sub-paragraphs (2) and (3) will be required to answer questions in order to demonstrate their knowledge in respect of the additional subjects detailed in paragraph 3, sub-paragraphs (9) to (11) according to the form of construction applicable to the type of remote-reading compass for which application is accepted.

3. *Syllabus.*—(1) Indian Aircraft Rules in so far as they affect an aircraft maintenance engineer licensed in Category 'X'

(2) The general principles of magnetism; magnetic materials and permanent magnets; polarity and strength of bar magnets; the earth as a magnet; the magnetic meridian and its relationship to the geographic meridian

(3) The general principles of construction of typical aircraft compasses, including magnet system, damping liquid, verge ring and markings, lubber line, grid wires, shock-absorbing suspension and corrector box; the inspection necessary for the detection of common defects that may arise in use.

(4) The installation of compasses in aircraft; points to be observed, and the procedure adopted, before adjustments are made

(5) The precautions to be observed in the choice of a site for, and the preparation of, a "swinging base"; checking the base by means of a landing compass.

(6) The compensation of compasses in the aircraft, including the observation of deviations, the calculations and adjustments necessary for corrections for coefficients A, B and C, the procedure to be followed after the corrections are made and the preparation of deviation cards and graphs.

- (7) The use of a landing compass for the checking of compasses in aircraft.
- (8) The compensation of the compass in a marine aircraft afloat by means of a bearing plate, on the aircraft, or by the use of a landing compass ashore.
- (9) The general principles of construction of remote-reading aircraft compasses, the principles of operation and functioning of the particular type for which the application is made and the inspection of the component parts necessary, prior to installation in the aircraft.
- (10) The installation and the correct positioning of the remote-reading compass in the aircraft, including the components and accessories; points to be observed and the procedure adopted before adjustments are made.
- (11) The methods and procedure adopted for the compensation of the remote-reading compass in the aircraft the adjustments to be made to the master compass, the master indicator, and the repeater units in order to ensure correct functioning.
4. Where, subsequent to a written examination, an oral examination is required by the Director General, applicants may be required to answer further questions in respect of the subjects detailed in paragraph 3, as applicable and in all cases they shall be required to demonstrate in this examination:—

Knowledge, in a practical form, of the subjects detailed in paragraph 3 "

### *"SUB-SECTION VIII.—Aircraft Maintenance Engineer Licence"*

#### *"Issue and Extension—Category 'X' "*

##### **(ELECTRICAL EQUIPMENT)**

"1. *Experience Required.*—Applicants for the grant of a licence in Category 'X' in respect of the overhaul, repair, modification and test of aircraft electrical equipment, shall have had at least three years' electrical engineering experience including a minimum of one-and-a-half years of recent general practical experience in the overhaul, repair and testing of aircraft electrical equipment, including recent experience of the inspection and testing of electrical installations in aircraft.

2. Applicants accepted for examination for a licence in Category 'X' (Electrical Equipment) will be required to answer questions in order to demonstrate their knowledge in respect of the subjects detailed in paragraph 3 below.

3. *Syllabus.*—(1) Indian Aircraft Rules in so far as they affect an aircraft maintenance engineer licensed in Category 'X'.

(2) Elementary electricity and magnetism including both AC and DC systems. Definitions of the terms used and their application, and the elementary practical mathematical calculations involved.

(3) The construction and functioning of all types of electro-magnetic induction machines used on aircraft.

(4) The method of carrying out overhauls and repairs to electro-magnetic induction machines used on aircraft; the inspection necessary to detect defects, mechanical, electrical and magnetic, as a result of wear and deterioration, and the permissible allowances in each case.

(5) The inspection of component parts of aircraft electrical generators, motors, automatic control and switch gear.

(6) The schedule of tests, the equipment required for such tests, and the methods employed in carrying out functional tests to prove satisfactory conditions of electrical generators and motors after overhaul and repair.

(7) The general principles of construction and functioning of all types of automatic control and switch gear; the method of carrying out overhauls, repairs and tests.

(8) The installation, functioning and testing of all types of electrical storage batteries.

(9) The selection and inspection of materials used in construction, repair and overhaul of aircraft electrical equipment.

(10) The types, sizes and capacities of cables, fuses, and switch gear, used in aircraft electrical installation.

(11) The specified light-angles of navigation lamps; the installation, inspection, overhaul and testing of navigation, signalling and landing-light equipment.

(12) Methods of inspecting and testing the whole of the electrical system installed in aircraft, including bonding earthing systems.

(13) The preparation of a circuit diagram illustrating the symbols used to denote the various items of equipment.

4. Where, subsequent to a written examination, an oral examination is required by the Director General, applicants may be required to answer further questions in respect of subjects detailed in paragraph 3 above as applicable, and in all cases they shall be required to demonstrate in this examination:—

Practical knowledge of inspection, the use of measuring instruments and the interpretation of drawings.”

**“SUB-SECTION IX.—Aircraft Maintenance Engineer Licence”**

**“Issue and Extension—Category ‘X’ ”**

**(ENGINE IGNITION APPARATUS)**

“1. *Experience required.*—Applicants for the grant of a licence in Category ‘X’ in respect of the overhaul, repair, modification or test of aircraft engine ignition apparatus shall have had at least three years electrical engineering experience, including a minimum of one and a half years recent general practical experience in the overhaul, repair and testing of all types of aircraft engine ignition apparatus.

2. Applicants accepted for examination for a licence in Category ‘X’ (Engine Ignition Apparatus) will be required to answer questions in order to demonstrate their knowledge in respect of the subjects detailed in paragraph 3 below.

3. Syllabus.—(1) Indian Aircraft Rules in so far as they affect an aircraft maintenance engineer licensed in Category ‘X’.

(2) Elementary electricity and magnetism, definitions of the terms used and their application and the elementary practical mathematical calculation involved.

(3) The construction and functioning of all types of engine ignition apparatus, including screened types fitted to aircraft engines.

(4) The method of carrying out overhauls and repairs; the inspection necessary to detect defects, mechanical, electrical and magnetic, as a result of wear and deterioration, and the permissible allowances in each case.

(5) The inspection and testing of component parts and assemblies, and the equipment required for such tests.

(6) The schedule of tests, the equipment required for such tests, and the methods employed in carrying out functional tests to prove the satisfactory condition of apparatus after overhauling and repair.

(7) The construction and functioning of impulse starters; the methods of carrying out overhauls, repairs and tests.

(8) The construction and functioning of automatic timing devices; the methods of carrying out overhauls, repairs and tests.

(9) The construction, inspection and testing of ignition cables, screened harness and fittings, the defects and deterioration likely to be encountered, and the effect on engine ignition apparatus and sparking plugs, of metal braiding on cables.

(10) The overhaul and testing of sparking plugs.

(11) The preparation of a wiring diagrams, from which a finished drawing could be made of the internal and external connections of a typical ignition system.

4. Where, subsequent to a written examination, an oral examination is required by the Director General, applicants may be required to answer further questions in respect of the subjects detailed in paragraph 3 above as applicable, and in all cases they shall be required to demonstrate in this examination:—

Practical knowledge of inspection, the use of measuring instruments and the interpretation of drawings.”

"SUB-SECTION X—Aircraft Maintenance Engineer Licence"

"Issue and Extension—Category 'X' "

(INSTRUMENTS)

"1 *Experience Required*—(1) Applicants for the grants of a licence in Category 'X' in respect of the overhaul, repair or modification of aircraft and engine instruments and direct reading magnetic compasses excluding electrically operated instruments, shall have had at least three years' instrument engineering experience, including a minimum of one and half years of recent general practical experience in the overhaul, repair, calibration and installation in aircraft of all types of physically and mechanically operated aircraft and engine instruments as may be from time to time prescribed in the Indian Aircraft Rules

(2) Applicants for the issue of a licence in Category 'X' in respect of the overhaul, repair or modification of aircraft and engine instruments, including electrically operated instruments (which shall also include remote reading compasses), shall have had the experience detailed in sub paragraph (1) and shall in addition either be holders of a licence in Category 'X' (Electrical Equipment) together with at least six months' recent practical experience in the overhaul, repair or modification of electrically operated aircraft and engine instruments, or have had at least one year of recent general practical experience in the overhaul repair or modification of electrically operated aircraft and engine instruments.

2 All applicants accepted for examination for a licence in Category 'X' (Instruments) will be required to answer questions in order to demonstrate their knowledge in respect of the subjects detailed in paragraph 3, sub paragraphs (1) to (9) below, the applicants referred to in paragraph 1, sub-paragraph (2) will be required to answer questions in order to demonstrate their knowledge in respect of the additional subjects detailed in paragraph 3, sub-paragraphs (10) and (11) below.

3 *Syllabus*—(1) Indian Aircraft Rules in so far as they affect an aircraft maintenance engineer licensed in Category 'X'

(2) Elementary physics, and the elementary practical mathematical calculations involved

(3) The general principles of construction operation overhaul and repair of all types of physically and mechanically operated aircraft and engine instruments

(4) The types of failure which may develop in operation, methods adopted to trace the causes, and measures taken to prevent their recurrence the effect of variation and adjustment on instrument mechanism

(5) The inspection of component parts of the various instruments during overhaul and repair, the correction of physical and mechanical faults peculiar to such instruments

(6) The conventional methods of calibrating adjusting, and testing aircraft and engine instruments, high and low pressure temperature and vibration tests, and luminosity tests on luminous and fluorescent dial markings

(7) The principles employed, and methods adopted, in the construction and preparation of the sub-standard test apparatus normally used in instrument repair shops for calibration purposes

(8) Methods of testing and checking the accuracy of the sub-standard test apparatus, the use for this purpose of Reference Standards

(9) The preparation of a sketch from which a finished drawing could be made of a part of typical instrument mechanism

(10) Electricity and magnetism, definitions of the terms used and their application and the elementary practical mathematical calculations involved

(11) The general principles of construction, operation, overhaul and repair of all electrically operated instruments used in aircraft, methods of adjustment, detection and rectification of faults peculiar to specific instruments and equipment, and the tests necessary to prove correct functioning

4. Where, subsequent to a written examination, an oral examination is required by the Director General, applicants may be required to answer further questions in respect of subjects detailed in paragraph 3 above, as applicable, and in all cases they shall be required to demonstrate in this examination :

Practical knowledge of inspection, the use of measuring instruments and interpretation of drawings."

**"SUB-SECTION XI.—Aircraft Maintenance Engineer Licence"**

**"Issue and Extension—Category 'X' "**

**(V. P. PROPELLERS)**

"1. *Experience Required.*—Applicants for the grant of a licence in Category 'X' in respect of the overhaul, repair or modification of variable-pitch propellers, shall have had three years, general engineering experience, and this must include a minimum of one and a half years of recent general practical experience of the overhaul, repair and balancing of variable-pitch propellers, of which at least six months must have been spent on the overhaul and/or repair of the type of propeller for which application is made.

2. Applicants accepted for examination for a licence in Category X (V. P. Propellers) will be required to answer questions in respect of the subjects detailed in paragraph 3, sub-paragraphs (1) to (14) below, according to the form of construction applicable to the type of propeller for which application is accepted

3. *Syllabus.*—(1) Indian Aircraft Rules in so far as they affect an aircraft maintenance engineer licensed in Category 'X'.

(2) Practical arithmetical calculations, involving vulgar and decimal fractions percentages, mensuration and moments.

(3) The principles and functioning of the operating systems of current types of variable-pitch propellers.

(4) The preparation of an inspection report on the condition of the propeller stripped down for complete overhaul.

(5) The method of systematically carrying out the required overhaul.

(6) The procedure for completing the inspection record on work done for the purpose of overhaul of the component parts.

(7) Approved repair schemes applicable to the rectification and overhaul of the component parts.

(8) The methods of inspection during the overhaul of the component parts of a propeller for wear, mal-alignment, distortion and damage. The defects likely to be encountered and their rectification, the permissible clearances and allowances for and distortion, and the balancing of parts.

(9) The inspection during rectification of parts and components and the re-assembly of the propeller, and of the workshop processes involved, so far as they affect the incorporation and fitting of previously approved replacement parts including the appropriate protective treatment applicable.

(10) The inspection during rectification of spinners, fans and all parts normally attached to, and rotating with, propellers.

(11) The construction, and functioning of auxiliary oil pumps, motors, constant speed governors, controlling means and de-icing equipment and the methods of carrying out overhauls, repairs and tests.

(12) The inspection of a complete propeller for correct assembly, adjustment, weight and balance: methods employed for correcting balance and checking torque loading of blades.

(13) Assembly of a propeller to an engine: check testing and adjustment for performance and correction of faults.

(14) The preparation of a sketch from which a finished drawing could be made of a part of the operating mechanism of a variable-pitch propeller.

4. Where subsequent to a written examination, an oral examination is required by the Director General, applicants may be required to answer further questions

in respect of the subjects detailed in paragraph 3 above, as applicable, and in all cases they shall be required to demonstrate in this examination:—

Practical knowledge of inspection, the use of measuring instruments and the interpretation of drawings.”

5. In Schedule III for “Section G” the following Section shall be substituted, namely:—

### “SECTION ‘G’

#### GENERAL

Application for the grant, extension or renewal of certificates of airworthiness and aircraft maintenance engineer’s licences shall be made to the Director General by whom all the necessary forms will be supplied on demand, and by whom instructions will be issued as to the place and time of inspection or examination and as to further information or evidence required for the purpose of the grant, extension or renewal of the certificate or licence.

[No. 10-A/34-50.]

P. K. ROY, Dy Secy

### (Posts & Telegraphs)

*New Delhi, the 8th September 1952*

**S.R.O. 1568.**—In exercise of the powers conferred by section 10 of the Indian Wireless Telegraphy Act, 1933 (XVII of 1933), the Central Government hereby directs that the following further amendment shall be made in the Indian Wireless Telegraphy (Possession) Rules, 1933, namely:—

In sub rule (1) of rule 20 of the said Rules, for the words and figures “31st July, 1952”, the words and figures “31st August, 1952” shall be substituted.

[No. T2/W21-16/51-I.]

**S.R.O. 1569.**—In exercise of the powers conferred by section 7 of the Indian Telegraph Act, 1885 (XIII of 1885), the Central Government hereby directs that the following further amendment shall be made in the Rules for licensing of Wireless Receiving Apparatus, 1940, namely:—

In rule 14B of the said Rules, for the words and figures “31st July, 1952”, the words and figures “31st August, 1952” shall be substituted.

[No. T2/W21-16/51-I.]

K. V. VENKATACHALAM, Dy. Secy

### MINISTRY of LABOUR

*New Delhi, the 3rd September, 1952.*

**S.R.O. 1570.**—In exercise of the powers conferred by sub-section (1) of section 13 of the Employees’ Provident Funds Act, 1952, (XIX of 1952), the Central Government hereby appoints Shri C. B. Prasad, Delhi, to be an Inspector for the whole of the State of Delhi for the purposes of the said Act and of any Scheme made thereunder.

[No. PF-516(7).]

*New Delhi, the 9th September 1952*

**S.R.O. 1571.**—In exercise of the powers conferred by sub-section (1) of section 13 of the Employees’ Provident Funds Act, 1952, (XIX of 1952), the Central Government hereby appoints Shri J. B. Shah, Saurashtra, to be an Inspector for the whole of the State of Saurashtra, for the purposes of the said Act and of any scheme made thereunder in relation to factories engaged in a controlled industry or in any industry connected with a mine or an oilfield *vice* Shri K. A. Sheth.

[No PF-516(26).]

**S.R.O. 1572.**—In exercise of the powers conferred by sub-section (1) of section 13 of the Employees' Provident Funds Act, 1952, (XIX of 1952), the Central Government hereby appoints Shri Dina Nath Nigam, Punjab, to be an Inspector for the whole of the State of Punjab for the purposes of the said Act and of any scheme made thereunder in relation to factories engaged in a controlled industry or in an industry connected with a mine or an oilfield.

[No. PF-516(48).]

SADASHIVA PRASAD, Dy. Secy

*New Delhi the, 3rd September 1952*

**S.R.O. 1573.**—In pursuance of section 3 and 4 of the Employees' State Insurance Act, 1948 (XXXIV of 1948), the Central Government hereby directs that the following further amendment shall be made in the notification of the Government of India in the Ministry of Labour No. SS.21(2) (2), dated the 6th September, 1948. namely:—

In the said notification, for item No. (9), the following item shall be substituted. namely:—

"(9) Shri R. S. Pande, I.A.S., Secretary to the Government of Bihar, Labour Department, Patna."

[No. SS. 121(53).]

**S.R.O. 1574.**—Whereas the Central Government is satisfied that the employees in each of the factories specified in the Schedule hereto annexed are in receipt of benefits substantially similar or superior to the benefits provided under the Employees' State Insurance Act, 1948 (XXXIV of 1948):

Now THEREFORE, in exercise of the powers conferred by section 90 of the said Act, the Central Government hereby exempts each of the factories from all the provisions of the said Act:—

#### SCHEDULE

(a) *Factories belonging to the Commissioners for the Port of Calcutta*

- (1) The Main Pumping Station.
- (2) The Mechanical Coal Loading Plant.
- (3) The Garden Reach Jetty and King Georges Dock Workshop
- (4) The Dock Basin Machinery.
- (5) The Dock Engine House.
- (6) The Hydraulic Engine House, King George Dock.
- (7) The Jetty Engine House.
- (8) The Island Workshop.
- (9) The South Workshop.
- (10) The North Workshop.
- (11) The Wagon Repair Shop.
- (12) The Jetty Workshop.

(b) *Factories belonging to Bombay Port Trust.*

- (1) The Bombay Port Trust Workshops, Clarke Bunder, Mazagaon.
- (2) The Electrical Establishment Northern Division, Clarke Bunder Mazagaon.
- (3) The Electrical Establishment, Southern Division, Alexandra Dock.
- (4) The Mobile Crane Section, Red Gate, Alexandra Dock.
- (5) The Test House, near 'K' Shed, Prince's Dock.
- (6) The Oil Boosting Station (Steam) Pir Pau, Chambur.
- (7) The Slick Siding at Grain Depot, Sewri.

(c) *Factories belonging to Madras Port Trust.*

- (1) The Madras Port Trust Workshops (Mechanical and Electrical Division)
- (2) The Madras Port Trust Slipway and Ancillary Workshop (Civil Division)
- (3) The Booster Pump House on the North Side of the Harbour.
- (4) The Deputy Port Conservator's Buoy Yard.

(d) *Factories belonging to the Cochin Port Administration.*

- (1) The Port Workshop, Willingdon Island.
- (2) The Port Dry Dock, Willingdon Island.
- (3) The Port Power House, Willingdon Island.
- (4) Port Electrical Sub-stations at the Wharf and North End of Willingdon Island.

(e) *Factory belonging to Kandla Port Administration.*

- (1) The Kandla Port Workshop.

(f) *Factories belonging to Vizagapatam Port Administration.*

- (1) The Vizagapatam Port Workshop, Vizagapatam Port, Vizagapatam.
- (2) The Vizagapatam Port Dockyard Workshop, Vizagapatam Port, Vizagapatam.

[No. SS. 138(11)-A.]

**S.R.O. 1575.**—In exercise of the powers conferred by section 73-F of the Employees' State Insurance Act, 1948 (XXXIV of 1948), the Central Government hereby exempts each of the factories specified in the Schedule hereto annexed from the payment of the employer's special contribution leviable under Chapter V-A of the said Act:—

**SCHEDULE**

(a) *Factories belonging to the Commissioners for the Port of Calcutta.*

- (1) The Main Pumping Station.
- (2) The Mechanical Coal Loading Plant.
- (3) The Garden Reach Jetty and King Georges Dock Workshop.
- (4) The Dock Basin Machinery.
- (5) The Dock Engine House.
- (6) The Hydraulic Engine House, King Georges Dock.
- (7) The Jetty Engine House.
- (8) The Island Workshop.
- (9) The South Workshop.
- (10) The North Workshop.
- (11) The Wagon Repair Shop.
- (12) The Jetty Workshop.

(b) *Factories belonging to Bombay Port Trust.*

- (1) The Bombay Port Trust Workshops, Clarke Bunder, Mazagaon.
- (2) The Electrical Establishment, Northern Division, Clarke Bunder, Mazagaon.
- (3) The Electrical Establishment, Southern Division, Alexander Dock.
- (4) The Mobile Crane Section, Red Gate, Alexandra Dock.
- (5) The Test House, near 'K' Shed, Prince's Dock.
- (6) The Oil Boosting Station (Steam) Pir Pau, Chambur.
- (7) The Sick Sidling at Grain Depot, Sewri.

(c) *Factories belonging to Madras Port Trust.*

- (1) The Madras Port Trust Workshops (Mechanical and Electrical Division)
- (2) The Madras Port Trust Slipway and Ancillary Workshop (Civil Division)
- (3) The Booster Pump House on the North Side of the Harbour.
- (4) The Deputy Port Conservator's Buoy Yard.

(d) *Factories belonging to the Cochin Port Administration.*

- (1) The Port Workshop, Willingdon Island.
- (2) The Port Dry Dock, Willingdon Island.
- (3) The Port Power House, Willingdon Island.
- (4) The Port Electrical Sub-stations at the Wharf and North End of Willingdon Island.

(e) *Factory belonging to Kandla Port Administration.*

(1) The Kandla Port Workshop.

(f) *Factories belonging to Vizagapatam Port Administration.*

(1) The Vizagapatam Port Workshop, Vizagapatam Port, Vizagapatam.

(2) The Vizagapatam Port Dockyard Workshop, Vizagapatam Port, Vizagapatam.

[No. SS.138(11)-B.]

**S.R.O. 1576.**—In exercise of the powers conferred by sub-section (3) of section 1 of the Employees' State Insurance Act, 1948 (XXXIV of 1948), the Central Government hereby appoints the 1st September 1952 as the date on which sub-section (1) of section 76, sections 77, 78, 79 and 81 of Chapter VI of the said Act shall come in force in the whole of India except the State of Jammu and Kashmir the State of Delhi and Kanpur area of the State of Uttar Pradesh.

[No. SS.122(25)-A.]

**S.R.O. 1577.**—In pursuance of the provisions of section 73-B of the Employees' State Insurance Act, 1948 (XXXIV of 1948), the Central Government hereby specifies the following authorities to be authorities by whom shall be decided any question or dispute arising in respect of the employer's special contribution payable or recoverable under Chapter V-A of the said Act, within their respective jurisdictions, shown below against such authorities, namely:—

Name of State	Authority empowered to hear disputes under Chapter V-A of the Employees' State Insurance Act, 1948.	Jurisdiction
Punjab	(1) Senior Subordinate Judges, and (2) Sub-Divisional Officer, Kulu (Dist. Kangra.)	The areas within the limits of their respective jurisdiction.
Assam	Judge, Industrial Tribunal, Assam, Nowgong.	State of Assam.
Patiala and East Punjab States Union	Sub-Judges 1st class, stationed at the District Headquarters.	The areas within the limits of their respective jurisdiction.
Himachal Pradesh	Deputy Commissioners, Mahasu District, Mandi District, Sirmur District and Chamba District.	The areas within the limits of their respective jurisdiction.
Tripura	Divisional Officer, Sadar.	Sadar, Udaipur, Sonamura, Sabroom and Bolonia Divisions and Amarpur Sub-Division.
Saurashtra	Divisional Officer, Kailashahar	Kailashahar, Dharma-nagar and Khawai Divisions and Kamalpur sub-Division.
	The civil Judge, Senior Division, Rajkot.	The areas comprised within the central Saurashtra District.
	The civil Judge, Senior Division, Jamnagar.	The areas comprised within the Halar District.
	The civil Judge, Senior Division, Bhavnagar.	The areas comprised within the Gohilwad District.
	The civil Judge, Senior Division, Surendranagar.	The areas comprised within the Zalawad District.
	The civil Judge, Senior Division, Junagadh.	The areas comprised within the Sorath District.

[No. SS.122(25)-B.]

S. NEELAKANTAM, Dy. Secy.

**S.R.O. 1578.**—In pursuance of section 17 of the Industrial Disputes Act, 1947 (XIV of 1947), the Central Government hereby publishes the following awards of the All India Industrial Tribunal (Bank Disputes) in the matter of victimisation, etc., of workmen in banking companies.

**AWARDS**

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

SERIAL No. 230 IN REFERENCE No. 2/52. (S.R.O. 42, dated 8th January, 1952).

Shri Bachi Ram

*Versus*

Allahabad Bank Ltd.

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification No. S.R.O. 42, dated 8th January 1952. It appears there as Serial No. 230. The nature of the dispute as set out therein is as follows:—

**"Demotion"**

Notice was issued to the workman by registered post on 13th February 1952 calling upon him to file a statement of his case on or before 29th February 1952. Though the notice was served on the workman, he did not choose to file any statement. In these circumstances, there is at present no dispute in respect of which any adjudication is called for. We therefore pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

**BOMBAY,**

*Dated, the 28th July, 1952*

---

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

SERIAL No. 231 IN REFERENCE No. 2/52. (S.R.O. 42, dated 8th January, 1952).

Shri Raghunath Pd. Mehra

*Versus*

Allahabad Bank Ltd.

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification No. S.R.O. 42, dated 8th January 1952. It appears there as Serial No. 231. The nature of the dispute as set out therein is as follows:—

**"Stoppage of increment"**

Notice was issued to the workman by registered post on 13th February 1952 calling upon him to file a statement of his case on or before 29th February 1952. Though the notice was served on the workman, he did not choose to file any statement. In these circumstances, there is at present no dispute in respect of which any adjudication is called for. We therefore pass in award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

**BOMBAY,**

*Dated, the 28th July, 1952.*

---

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

(SERIAL No. 237 IN REFERENCE No. 2/52. (S.R.O. 42, dated 8th January, 1952).

Shri Om Prakash Thakur

*Versus*

Central Bank of India Ltd.

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification No. S.R.O. 42, dated 8th January 1952.

It appears there as Serial No. 237. The nature of the dispute as set out therein is as follows:—

**"Refund of security deposit"**

Notice was issued to the workman by registered post on 22nd February 1952 calling upon him to file a statement of his case on or before 10th March 1952. Though the notice was served on the workman, he did not choose to file any statement. In these circumstances, there is at present no dispute in respect of which any adjudication is called for. We therefore pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

**BOMBAY,**

*Dated, the 28th July, 1952.*

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**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**  
SERIAL NO. 290 IN REFERENCE No. 2/52. (S.R.O. 42, dated 8th January, 1952).

**Shri Thakur Prasad Mehrotra**

*Versus*

**Central Bank of India Ltd.**

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification No. S. R. O. 42, dated 8th January 1952. It appears there as Serial, No. 290. The nature of the dispute as set out therein is as follows:—

**"Dismissal from service"**

Notice was issued to the workman by registered post on 22nd February 1952 calling upon him to file a statement of his case on or before 10th March 1952. Though the notice was served on the workman, he did not choose to file any statement. In these circumstances, there is at present no dispute in respect of which any adjudication is called for. We therefore pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

**BOMBAY,**

*Dated, the 28th July, 1952.*

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**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**  
SERIAL NO. 291 IN REFERENCE No. 2/52.—(S.R.O 42, dated 8th January, 1952).

**Shri Radhey Lal Mehrotra**

*Versus*

**Central Bank of India Ltd.**

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification No. S.R.O. 42, dated 8th January 1952. It appears there as Serial No. 291. The nature of the dispute as set out therein is as follows:—

**"Discharge from service"**

Notice was issued to the workman by registered post on 22nd February 1952 calling upon him to file a statement of his case on or before 10th March 1952. Though the notice was served on the workman, he did not choose to file any statement. In these circumstances, there is at present no dispute in respect of which any adjudication is called for. We therefore pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

**BOMBAY,**

*Dated, the 28th July, 1952*

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

SERIAL No. 292 IN REFERENCE No. 2/52. (S.R.O. 42, dated 8th January, 1952).

Shri Kashi Nath Mehrotra

*Versus*

Central Bank of India Ltd.

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification No. S.R.O. 42, dated 8th January 1952. It appears there as Serial No. 292. The nature of the dispute as set out therein is as follows:—

**"Discharge from service"**

Notice was issued to the workman by registered post on 22nd February 1952 calling upon him to file a statement of his case on or before 10th March 1952. Though the notice was served on the workman, he did not choose to file any statement. In these circumstances, there is at present no dispute in respect of which any adjudication is called for. We therefore pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

**BOMBAY,**

*Dated, the 28th July, 1952.*

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

SERIAL No. 293 IN REFERENCE No. 2/52. (S.R.O. 42, dated 8th January, 1952).

Shri Hari Krishna Mehrotra

*Versus*

Central Bank of India Ltd.

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification No. S.R.O. 42, dated 8th January 1952. It appears there as Serial No. 293. The nature of the dispute as set out therein is as follows:—

**"Discharge from service"**

Notice was issued to the workman by registered post on 22nd February 1952 calling upon him to file a statement of his case on or before 10th March 1952. Though the notice was served on the workman, he did not choose to file any statement. In these circumstances, there is at present no dispute in respect of which any adjudication is called for. We therefore pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

**BOMBAY,**

*Dated, the 28th July, 1952.*

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

SERIAL No. 375 IN REFERENCE No. 2/52. (S.R.O. 42, dated 8th January, 1952).

Shri Palakdhari Singh

*Versus*

United Commercial Bank Ltd.

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification No. S.R.O. 42, dated 8th January 1952. It appears there as Serial No. 375. The nature of the dispute as set out therein is as follows:—

**"Termination of employment"**

Notice was issued to the workman by registered post on 12th February 1952 calling upon him to file a statement of his case on or before 29th February 1952. Though the notice was served on the workman, he did not choose to file any statement. In these circumstances, there is at present no dispute in respect of

which any adjudication is called for We therefore pass an award that no orders are necessary.

(Sd) S. PANCHAPAGESA SASTRY, *Chairman*

(Sd) M L TANNAN, *Member.*

(Sd) V L D'SOUZA, *Member.*

BOMBAY,

*Dated, the 23th July, 1952*

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BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY

SERIAL No. 376 IN REFERENCE No. 2/52 (S.R.O 42, dated 8th January, 1952)

Shri Ram Sukhla

*Versus*

United Commercial Bank Ltd

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification No S.R.O 42, dated 8th January 1952. It appears there as Serial No 376. The nature of the dispute as set out therein is as follows.—

“Grant of increment”

Notice was issued to the workman by registered post on 12th February 1952 calling upon him to file a statement of his case on or before 23th February 1952. Though the notice was served on the workman, he did not choose to file any statement. In these circumstances, there is at present no dispute in respect of which any adjudication is called for. We therefore pass an award that no orders are necessary.

(Sd) S. PANCHAPAGESA SASTRY, *Chairman*

(Sd) M L TANNAN, *Member.*

(Sd) V L D'SOUZA, *Member.*

BOMBAY,

*Dated, the 28th July, 1952*

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BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY

SERIAL No. 400 IN REFERENCE No. 2/52 (S.R.O 42, dated 8th January, 1952)

Shri Prithvi Nath Gupta

*Versus*

Bengal Central Bank Ltd.

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification No S.R.O 42, dated 8th January 1952. It appears there as Serial No 400. The nature of the dispute as set out therein is as follows —

“Promotion to junior officer's rank”

Notice was issued to the workman by registered post on 12th February 1952 calling upon him to file a statement of his case on or before 29th February 1952. Though the notice was served on the workman he did not choose to file any statement. In these circumstances, there is at present no dispute in respect of which any adjudication is called for. We therefore pass an award that no orders are necessary.

(Sd) S. PANCHAPAGESA SASTRY, *Chairman*

(Sd) M L TANNAN, *Member.*

(Sd) V L D'SOUZA, *Member.*

BOMBAY,

*Dated the 28th July, 1952*

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BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY

SERIAL No. 401 IN REFERENCE No. 2/52 (S.R.O 42, dated 8th January, 1952)

Shri Subodh Chandra Bose

*Versus*

Bengal Central Bank Ltd.

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification No. S.R.O 42, dated 8th January 1952.

It appears there as Serial No. 401. The nature of the dispute as set out therein is as follows:—

**"Promotion to junior officer's rank"**

Notice was issued to the workman by registered post on 12th February 1952 calling upon him to file a statement of his case on or before 29th February 1952. Though the notice was served on the workman, he did not choose to file any statement. In these circumstances, there is at present no dispute in respect of which any adjudication is called for. We therefore pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

**BOMBAY,**  
*Dated the 28th July, 1952*

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

**SERIAL No. 402 IN REFERENCE No. 2/52. (S.R.O. 42, dated 8th January, 1952)**

**Shri Anil Das Gupta**

**Versus**

**Bengal Central Bank Ltd.**

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification No. S.R.O. 42, dated 8th January 1952. It appears there as Serial No. 402. The nature of the dispute as set out therein is as follows:—

**"Promotion to junior officer's rank"**

Notice was issued to the workman by registered post on 12th February 1952 calling upon him to file a statement of his case on or before 10th March 1952. Though the notice was served on the workman, he did not choose to file any statement. In these circumstances, there is at present no dispute in respect of which any adjudication is called for. We therefore pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

**BOMBAY,**  
*Dated, the 28th July, 1952*

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

**SERIAL No. 403 IN REFERENCE No. 2/52. (S.R.O. 42, dated 8th January, 1952)**

**Shri Ranjit Ganguli**

**Versus**

**Bengal Central Bank Ltd.**

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification No. S.R.O. 42, dated 8th January 1952. It appears there as Serial No. 403. The nature of the dispute as set out therein is as follows:—

**"Promotion to junior officer's rank"**

Notice was issued to the workman by registered post on 12th February, 1952 calling upon him to file a statement of his case on or before 29th February 1952. Though the notice was served on the workman, he did not choose to file any statement. In these circumstances, there is at present no dispute in respect of which any adjudication is called for. We therefore pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

**BOMBAY,**  
*Dated, the 28th July, 1952*

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

SERIAL No. 172 IN REFERENCE No. 2/1952. (S.R.O. 42, dated 8th January 1952).

Shri Dunichand Mehra

*Versus*

United Commercial Bank Ltd.

The is one of the dispute referred to us for adjudication under the Government of India, Ministry of Labour Notification S.R.O. No. 42, dated 8th January 1952. It appears there as Serial No. 172. The nature of the dispute as set out therein is as follows:—

**"Discharge from service"**

2. Notice was issued to the workman by registered post on 12th February 1952 calling upon him to file a statement of his case on or before 29th February 1952. The same was returned unserved. A fresh notice was issued on 26th June 1952 calling upon the workman to file a statement of his case on or before 12th July 1952. This was served on the workman but he did not file any statement. However, in his letter, dated 9th July 1952, the workman wrote to the Tribunal as follows:—

"With reference to your letter No. 2953, dated 26th June 1952, I beg to submit that I am satisfied with the decision already given by the previous All India Industrial Tribunal (Bank Disputes) of which Shri K. C. Sen was the Chairman and accordingly do not want to pursue the case any more".

3 Subsequently the office of the Tribunal wrote to the bank on 30th July 1952 to ascertain whether the payment directed by the Sen Tribunal was made to the workman and whether any dispute still existed between the bank and the workman. The bank sent a reply, dated 4th August 1952 wherein they wrote as follows:—

"With reference to your letter No. 3169, dated 30th July 1952, we have to inform you that the payment directed by the learned Sen Tribunal as referred to in your letter under reference has already been made to the above person and, in the circumstances, no dispute can still exist".

4. In these circumstances we pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

BOMBAY,

Dated the, 9th August, 1952.

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

SERIAL No. 236 IN REFERENCE No. 2/1952. (S.R.O. 42, dated 8th January 1952).

Shri Ramlal Gilani

*Versus*

Central Bank of India Ltd.

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification S.R.O. No. 42, dated 8th January 1952. It appears there as Serial No. 236. The nature of the dispute as set out therein is as follows:—

**"Refund of security deposit"**

Notice was issued to the workman by registered post on 22nd February 1952 calling upon him to file a statement of his case on or before 10th March 1952. The notice was returned undelivered. The office of the Tribunal wrote on 16th May 1952 requesting the bank to furnish this office with correct particulars of the workman's address for issuing fresh notice. The bank, in its reply, dated 19th May 1952 while furnishing the office with the workman's address, wrote as follows:—

"As regards your enquiry whether the dispute between the Bank and Shri Ramlal Gilani is now outstanding we may only state that the Security Deposit of Shri Gilani has already been paid to him by our Amritsar Branch by a demand draft, dated 23rd February 1951 for Rs. 543-12-0 on our Delhi Office against proper receipt. In view of this we submit that Shri Ramlal Gilani does not have any claim against the Bank now".

3. Thereafter the workman was asked by registered letter, dated 23rd July 1952 to confirm the report of the bank regarding the settlement of his claim. This letter was served on the workman and he wrote to the Tribunal in his letter dated 31st July 1952 as follows:

"I confirm that the claim against the Bank has been settled and there is no other claim from my side".

In these circumstances we pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman*.

(Sd.) M. L. TANNAN, *Member*.

(Sd.) V. L. D'SOUZA, *Member*.

BOMBAY,

Dated the, 9th August, 1952.

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

SERIAL No. 93 IN REFERENCE No. 2 of 1952. (S.R.O. 42, dated 8th January 1952)

Shri S. Z. Kadri

*Versus*

Habib Bank Limited.

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification S.R.O. No. 42, dated 8th January 1952. It appears in the schedule as Serial No. 93 and the nature of the dispute as set out therein is as follows:—

"Discharge from service"

Notice was issued to the workman by registered post on 14th February 1952 calling upon him to file a statement of his case on or before 29th February 1952. The notice was served on the workman but he did not file any statement.

It was found that the Sen Tribunal had given certain directions in favour of the workman and we thought the implementation of those directions by the Bank might perhaps be responsible for the silence on the part of the workman. The office of the Tribunal was therefore directed to write to the Bank in order to ascertain whether the directions given by the Sen Tribunal had been implemented and whether any dispute still existed between the Bank and the workman. The reply of the Bank dated, 12th August 1952 is as follows:

"With reference to your letter, No. 3245 of 7th instant, we have to inform you that Mr. S. Z. Kadri was reinstated in service as per award of the Sen Tribunal and was paid all his dues as per Award. He resigned from service on the very day of reinstatement and signed full and final settlement receipt. We enclose herewith true copies of his resignation and the receipt for your perusal. There is no dispute existing now".

In these circumstances we pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman*.

(Sd.) M. L. TANNAN, *Member*.

(Sd.) V. L. D'SOUZA, *Member*.

BOMBAY,

Dated the, 20th August 1952.

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

SERIAL No. 229 IN REFERENCE No. 2 of 1952 (S.R.O. 42, dated 8th January 1952).

Shri Tara Chand

*Versus*

Allahabad Bank Ltd.

The is one of the dispute referred to us for adjudication under the Government of India, Ministry of Labour Notification S.R.O. No. 42, dated 8th January 1952. It appears in the schedule as Serial No. 229 and the nature of the dispute as set out therein is as follows:—

"Payment of certain emoluments and quarter allowance".

Notice was issued to the workman by registered post on 13th February 1952 calling upon him to file a statement of his case on or before 29th February 1952. The notice was served on the workman but he did not file any statement

It was found that the Sen Tribunal had given certain directions in favour of the workman and we thought the implementation of those directions by the Bank might perhaps be responsible for the silence on the part of the workman. The office of the Tribunal was therefore directed to write to the Bank in order to ascertain whether the directions given by the Sen Tribunal had been implemented and whether any dispute still existed between the Bank and the workman. The reply of the Bank, dated 14th August 1952 is as follows:

"We are in receipt of your reference No. 3248 of the 7th instant and confirm that the directions of the Sen Tribunal as regards Shri Tara Chand were implemented by us and no dispute now exists between the Bank and the workman".

In these circumstances we pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman*.

(Sd.) M. L. TANNAN, *Member*.

(Sd.) V. L. D'SOUZA, *Member*.

BOMBAY,

Dated the, 20th August 1952.

BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY  
SERIAL No. 395 IN REFERENCE No. 2 OF 1952. (S.R.O. 42, dated 8th January 1952)

Shri Hirendra Nath Shaw

Versus

The Chartered Bank of India, Australia & China.

This is one of the disputes referred to us for adjudication under the Government of India, Ministry of Labour Notification S.R.O. No. 42, dated 8th January 1952. It appears in the schedule as Serial No. 395 and the nature of the dispute as set out therein is as follows:—

"Stoppage of promotion"

2. Notice was issued to the workman by registered post on 16th February 1952 calling upon him to file a statement of his case on or before 29th February 1952. As there was difficulty in finding from the records of the office whether the workman had been served with this notice or not, fresh notice was directed. The same was issued by registered post again on 28th July 1952 calling upon the workman to file his statement on or before 14th August 1952. This notice was served on the workman. The workman sent a reply as follows:

"In reference to the Notice addressed to me from the Industrial Tribunal (Bank Disputes), Bombay, No. 3190, dated 28th July 1952, I confirm that my former dispute with the Chartered Bank no longer exists".

By its letter, dated 8th August 1952, the Bank has also confirmed the statement of the workman that there is no longer any dispute between the workman and the Bank.

In these circumstances, we pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman*.

(Sd.) M. L. TANNAN, *Member*.

(Sd.) V. L. D'SOUZA, *Member*.

BOMBAY.

Dated the, 20th August, 1952.

[No. LR-100(30).]

New Delhi, the 9th September 1952

S.R.O. 1579.—In pursuance of Section 17 of the Industrial Disputes Act, 1947 (XIV of 1947) the Central Government hereby publishes the following award of the Industrial Tribunal at Calcutta in respect of the Industrial Dispute between the Dehri Rohtas Light Railway Co. Ltd., Dalmianagar, and their workmen.

CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL, AT CALCUTTA.

20/1 Gurusaday Road, Ballygunge, Calcutta—19.

REFERENCE No. 8 OF 1952

Before Shri K. S. Campbell-Puri, B.A., LL.B., *Chairman*.

*Parties :*

The Dehri Rohtas Light Railway Co., Ltd., Dalmianagar

And

Their workmen.

Appearances : Shri Baswant Singh, President and Shri Raj Bullov Singh, Vice President, for Dehri Rohtas Light Railway Employees' Union

# AWARD

By Notification No LR I-2(368), dated 8th April 1952 the Central Government in the Ministry of Labour referred an industrial dispute existing between the employer in relation to the Dehri Rohtas Light Railway Company Ltd and their workmen in respect of the matters specified in the Schedule annexed thereto. Usual notices were issued to the parties to file statement of claim and written statement by the employer thereafter. The pleadings were completed in the middle of July 1952 and the hearing was to come up in due course, when the Employer informed the Tribunal that the dispute between the Company and the workmen was adjusted by an agreement arrived at on 23rd July 1952 between the management of Dehri Rohtas Light Railway Company Ltd represented by Shri B. R. Gulati Manager of the said Company of the one part and Dehri Rohtas Light Railway Employees Union represented by Shri R. B. Singh, Vice President of the Employees Union, of the other part. The original agreement was also sent with the communication. The employees union also sent a similar communication along with a copy of the agreement and asked the Tribunal to make an award in terms of the said agreement.

The parties were summoned to appear before the Tribunal for the ratification of the terms of the agreement and in compliance with the summons both sides made their appearance on 25th August 1952 and the statement of the President and Vice President of the Employees Union and that of the Manager of the Company were duly recorded [copies of statements are enclosed herewith (Annexure I)]. Both sides stated on each that they had adjusted their differences wholly and have come to settlement according to the terms of the agreement dated 23rd July 1952 (Ex 1) and that the award be made on the basis of the said agreement which is reproduced *ad verbatim* as follows:

Ex/1—“THIS AGREEMENT made on the 23rd day of July, 1952 between the Management of Dehri Rohtas Light Railway Co Ltd, represented by Mr B. R. Gulati Manager of Dehri-Rohtas Light Railway Co, Ltd hereinafter called the ‘Management’ of the ONE PART and Dehri-Rohtas Light Railway Employees Union represented by Mr R. B. Singh, Vice-President of the OTHER PART hereinafter called the ‘Union’

WHEREAS there was a dispute between the Management and the Union and the Union gave demands vide their letter dated the 26th November, 1951 signed by their President Shri Basawan Singh and subsequently those demands were referred to Adjudication by the Government of India, Ministry of Labour Notification dated the 8th April, 1952

There was a mutual discussion between the parties above-mentioned and the following settlement has been arrived at to-day to the satisfaction of both the parties. The dispute is settled in all respects and a copy of this Agreement is being sent to the Chairman, Central Government Industrial Tribunal, Calcutta as a mark of settlement arrived at between the parties

## DEMAND No. 1—“Grade system to be revised and re-fixed”.

One extra grade increment will be given to every employee from 1st April 1951. Clerical staff will start on a minimum salary of Rs 50 instead of Rs 45 per month. This will apply to those who are on roll on 1st April, 1952.

## DEMAND No. 2—“Dearness Allowance be increased”

Dearness Allowance will be increased by a flat rate of Rs 5 to all categories of employees from 1st April, 1951. This will apply to those who are on roll on 1st April 1952.

## DEMAND No. 3—“Earned privileges leave should be paid at gross salary at the time of retirement and discharge”

The Management is paying it at net salary, and the present practice will continue.

## DEMAND No. 4—“Overtime to all including the Traffic”

It is agreed that the employees would be guided by hours of Employment Act, 1931.

DEMAND No. 5.—“*Daily rated to be monthly rated on completion of 12 months of service.*”

The Union does not press this demand except that whenever there is any vacancy of a permanent post, the chance should be given to old employees as far as possible.

DEMAND No. 6.—“*In the event of vacancy or promotion preference to be given to old hands and seniors.*”

The Management agrees to follow it in principle subject to seniority, efficiency and good record of service, and agrees to continue the same.

DEMAND No. 7.—“*Six months Bonus.*”

It is agreed that 1½ months Bonus on net salary for the year April, 1950 to March, 1951 will be paid to all the employees who are on roll on 1st April, 1952 subject to the following qualifying clause for the period of service in that particular year:—

- (a) To those who are on roll from 1st April, 1950 to 31st March, 1951 ... 1½ months' basic pay.
- (b) To those who are on roll from 1st July, 1950 to 31st March, 1951 ... 30 days' basic pay.
- (c) To those who are on roll from 1st October, 1950 to 31st March, 1951 ... 15 days' basic pay.
- (d) To those who are on roll from 1st January, 1951 to 31st March, 1951 ... 7½ days' basic pay.

Re: Bonus for the year April, 1951 to March, 1952, a verbal understanding has been arrived at and the announcement will be made in due course.

DEMAND No. 8.—“*Minimum wages to apply also to contract labour.*”

The Management will try their best to get proper payments made by the Contractors.

DEMAND No. 9.—“*Full and proper weekly rest to be given to all including Engineering Section.*”

This will be controlled by the Hours of Employment Act, 1931, and both parties agree to it.

DEMAND No. 10.—(a) “*Establishment Code to be immediately introduced embodying Service Rules etc.*”

(a) The Service Rules as they are will continue.

(b) “*Joint enquiry with the Union before punishment is awarded.*”

(b) The Management will afford every facility to the Union to get details of any case in which action has been taken by the Management.

(c) “*All cases of stoppages of increment of confirmation or of conversion from permanent to temporary should be revised and orders of dismissals of*

(1) Kameshwar Pd. Khanna, (2) Bishwanath Singh, (3) T. N. Singh and (4) Marach Mate to be set aside.”

(c) Kameshwar Prasad Khanna and Marach Mate will be taken on fresh appointments and the rest of the cases are not pressed

DEMAND No. 11.—*Quarters*

(a) “*Adequate provision of quarters should be made*”

(a) The Management will do their best to arrange quarters as early as possible

(b) “*Meanwhile traffic quarters be given back to traffic people.*”

(b) The demand is not pressed.

(c) “*Goods Shed workmen be provided quarters in Dalmianagar.*”

(c) It comes under item (a) above.

(d) “*People working at long distances from their quarters be supplied with permits to go to their quarters whenever required.*”

(d) The persons entitled to get passes are already getting them.

DEMAND NO. 12.—“Agreement with regard to Uniform and Allowances be made effective.”

It will be strictly followed by the Management.

DEMAND NO. 13.—“Guards to Roll Call at the Station Masters and not Foreman.”

The demand is not pressed by the Union.

DEMAND NO. 14.—“Daily Roster of station traffic to be strictly followed.”

This will be controlled by the Hours of Employment Act, 1931.

DEMAND NO. 15.—“Office hours to be followed as before, i.e. between 10 A.M. and 5 P.M.”

The demand is not pressed.

DEMAND NO. 16.—“Employees Union to be provided with an Office Building.”

The Management has no obligation, but they would consider the demand when the needy staff will be provided with quarters.

DEMAND NO. 17.—“D.R.L. Railway Club to be reopened.”

The Management will try to get the Girls School released when the Club will be started.

This agreement is binding on both the parties up to 31st March, 1953 and the Union will not raise any agitation till June, 1953.

(Sd.) R. B. SINGH,

(Sd.) B. R. GULHATI,

Vice-President,

Manager, D.R.L. Railway Co. Ltd.

D.R.L. Railway Employees Union.

Dated, the 23rd July, 1952.

Witnesses: 1. (Sd.) PRANAM PANDEY,

2. (Sd.) B. N. MITRA,

Members of the Executive Committee of the  
Dehri Rohtas Light Rly. Employees Union.”

Now therefore this Tribunal makes its award in terms of the agreement reproduced above this the 27th day of August 1952.

Enclo (Annexure 1).

K. S. CAMPBELL-PURI,  
Chairman,

Central Government Industrial Tribunal, Calcutta.

ANNEXURE 1

25th August 1952

REFERENCE NO. 8 OF 1952

Dehri Rohtas Light Railway Co. Ltd.

Versus

Their Workmen.

Appearances: Shri Raj Bullov Singh, Vice-President, Dehri Rohtas Light Railway Employees Union along with Shri Baswant Singh, President of the said Union.

Shri Bhagatram Gulhati, Manager, D.R. Light Railway.

Statements of the President and Vice-President of the Employees Union

We have composed our differences with the Employer as per agreement Ex. 1 (shown to us). Shri Raj Bullov Singh states that he duly signed the agreement on behalf of the Employees' Union in token of assent. The terms embodied in the agreement were agreed upon by free will and consent and we ratify the same and pray for an award be made on the basis of this agreement.

(Sd.) BASAWAN SINHA,

(Sd.) R. B. SINGH,

Dated the 25th August, 1952.

Vice-President,

D.R.L. Rly. E. Union.

*Statement of Shri Bhagatram Gulhati, Manager, D.R. Light Railway*

The demands of the Union have been settled as per agreement Ex. 1. This agreement was duly signed by me on behalf of D.R.L. Railway Co. Ltd. for which I was authorised and the Company stands by the terms embodied in the agreement and pray that award be made on the basis of this agreement.

Dated the 25th August, 1952.

(Sd.) B. R. GULHATI.

[LR-2(368).]

**S.R.O. 1580.**—In pursuance of section 17 of the Industrial Disputes Act, 1947 (XIV of 1947), the Central Government hereby publishes the following awards of the All India Industrial Tribunal (Bank Disputes) in the matter of victimisation, etc., of workmen in banking companies.

**AWARDS**

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

**SERIAL No. 232 IN REFERENCE No. 2 OF 1952. (S.R.O. 42 dated 8th January 1952).**

**Shri Jagannath Aggarwal**

**Versus**

**The Hindustan Commercial Bank Ltd.**

This is one of the disputes referred to us for adjudication under the Ministry of Labour Notification No. S.R.O. 42 dated 8th January 1952. It appears in the schedule as Serial No. 232 and the nature of the dispute as set out therein is as follows :

"Discharge from service".

2. Notice was issued by registered post to the workman on 18th February 1952 calling upon him to file a statement of his case on or before 6th March 1952. Though the notice was served on the workman, he did not file any statement. Subsequently, we directed the office to write to the Bank so that we could have its views also before we passed orders on this case. The office wrote to the Bank on 7th August 1952. The reply of the Bank dated 13th August 1952 is as follows :—

"With reference to your letter No. 3247 of the 7th instant, we beg to advise that we have already paid to Mr. Jagannath Aggarwal, a sum aggregating to Rs. 445-9-10 being one quarter of his emoluments from 16th July 1948 to 19th January 1949 viz., from the date of suspension to the date of dismissal and a sum of Rs. 169-13-0 on account of his T. A. bill as per decision of the Sen Tribunal vide our Pay Order No. 233/50, dated 29th August 1950 which was encashed by him on 25th September, 1950. We would also like to inform you that there is no dispute between the Bank and Mr. Jagannath Aggarwal".

3. In these circumstances we pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

**BOMBAY;**

Dated the 21st August, 1952.

**BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY**

**SERIAL No. 343 IN REFERENCE No. 2 OF 1952. (S.R.O. 42 dated 8th January 1952).**

**Shri J. N. Chaturvedi**

**Versus**

**The Hindustan Commercial Bank Ltd.**

This is one of the disputes referred to us for adjudication under the Ministry of Labour Notification No. S.R.O. 42, dated 8th January 1952. It appears in the schedule as Serial No. 343, and the nature of the dispute as set out therein is as follows :

"Deprivation of increment".

2. Notice was issued by registered post to the workman on 18th February 1952 calling upon him to file a statement of his case on or before 6th March 1952.

Though the notice was served on the workman, he did not file any statement. Subsequently, we directed the office to write to the Bank so that we could have its views also before we passed orders on this case. The office wrote to the Bank on 7th August 1952. The reply of the Bank dated 14th August 1952 is as follows:

"We are in receipt of your letter No. 3244, dated the 7th instant and have to advise that the agreement arrived at between the Bank and Shri J. N. Chaturvedi has been implemented and there is no dispute on this account which please note".

3. In these circumstances we pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

BOMBAY ;

Dated the 21st August, 1952.

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BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY

SERIAL NO. 350 IN REFERENCE NO. 2 OF 1952. (S.R.O. 42 dated 8th January 1952).

Shri Asha Ram Shukla

*Versus*

The Hindustan Commercial Bank Ltd.

This is one of the disputes referred to us for adjudication under the Ministry of Labour Notification No. S.R.O. 42, dated 8th January 1952. It appears in the schedule as Serial No. 350 and the nature of the dispute as set out therein is as follows :—

"Confirmation as a daftry cum-clerk".

2. Notice was issued by registered post to the workman on 18th February 1952 calling upon him to file a statement of his case on or before 6th March 1952. Though the notice was served on the workman, he did not file any statement. Subsequently, we directed the office to write to the Bank so that we could have its views also before we passed orders on this case. The office wrote to the Bank on 7th August 1952. The reply of the Bank dated 13th August 1952 is as follows :—

"With reference to your letter No 3243 of the 7th instant, we beg to advise that a sum of Rs. 828-11-1 being the amount of difference between the salary actually drawn by Mr. Asha Ram Shukla and the salary of a clerk for the period from 1st January 1949 to 8th January 1950, as awarded by the Tribunal, has already been paid to him. We would also like to inform you that there is no dispute between the Bank and Shri Asha Ram".

3. In these circumstances we pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

BOMBAY ;

Dated the 21st August, 1952.

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BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY

SERIAL NO. 352 IN REFERENCE NO. 2 OF 1952. (S.R.O. 42 dated 8th January 1952).

Shri Prem Raj

*Versus*

National Bank of India Ltd.

This is one of the disputes referred to us for adjudication under the Ministry of Labour Notification No. S.R.O. 42, dated 8th January 1952. It appears in the schedule as Serial No. 352 and the nature of the dispute as set out therein is as follows :—

"Payment of overtime allowance".

2. Notice was issued by registered post to the workman on 14th February 1952 calling upon him to file a statement of his case on or before 29th February

1952. Though the notice was served on the workman, he did not file any statement. Subsequently, we directed the office to write to the Bank so that we could have its views also before we passed orders on this case. The office wrote to the Bank on 7th August 1952. The reply of the Bank dated 18th August 1952 is as follows :—

"In reply to your letters Ref. Nos. 3242 and 3241 of 7th instant, we have to advise that our Kanpur office inform us that the amount of overtime which was claimed by the above workmen was paid to them on 12th October 1950 and, therefore, no dispute now exists in this respect".

3. In these circumstances we pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

BOMBAY ;

Dated the 21st August, 1952.

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BEFORE THE ALL INDIA INDUSTRIAL TRIBUNAL (BANK DISPUTES), BOMBAY

SERIAL No. 353 IN REFERENCE No. 2 OF 1952. (S.R.O. 42, dated 8th January 1952).

Shri Pancham Singh

*Versus*

National Bank of India Ltd.

This is one of the disputes referred to us for adjudication under the Ministry of Labour Notification No. S.R.O. 42, dated 8th January 1952. It appears in the schedule as Serial No. 353 and the nature of the dispute as set out therein is as follows :

"Payment of overtime allowance".

2. Notice was issued by registered post to the workman on 14th February 1952 calling upon him to file a statement of his case on or before 29th February 1952. Though the notice was served on the workman, he did not file any statement. Subsequently, we directed the office to write to the Bank so that we could have its views also before we passed orders on this case. The office wrote to the Bank on 7th August 1952. The reply of the Bank dated 18th August 1952 is as follows :—

"In reply to your letters Ref. Nos. 3242 and 3241 of 7th instant, we have to advise that our Kanpur office inform us that the amount of overtime which was claimed by the above workmen was paid to them on 12th October 1950 and, therefore, no dispute now exists in this respect".

3. In these circumstances we pass an award that no orders are necessary.

(Sd.) S. PANCHAPAGESA SASTRY, *Chairman.*

(Sd.) M. L. TANNAN, *Member.*

(Sd.) V. L. D'SOUZA, *Member.*

BOMBAY ;

Dated the 21st August, 1952.

[No. LR-100(30).]

P. S. EASWARAN, Under Secy.